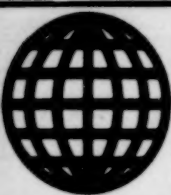


JPRS-SEA-89-004  
26 JANUARY 1989



**FOREIGN  
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# ***JPRS Report***

## **East Asia**

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***Southeast Asia***

# East Asia Southeast Asia

JPRS-SEA-89-004

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26 JANUARY 1989

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## PEOPLE'S REPUBLIC OF KAMPUCHEA

**Khieu Kannarit Comments on DK, Public Opinion**  
42070048 Bangkok SU ANAKHOT in Thai  
2-8 Nov 88 pp 16, 17

[Excerpt] [Passage omitted] We had a chance to chat with an important Cambodian newspaperman, Khieu Kannarit, the editor of KAMPUCHEA. Even though this is a state newspaper, Khieu Kannarit, or "Khieu" as he is called by his friends, is a real newspaperman. Khieu feels that the internal and external situation is leading toward peace in Cambodia. The meeting between Prince Sihanouk and Prime Minister Hun Sen in Paris during the period 5-7 November is viewed as a positive step by people at both upper and lower echelons in Cambodia.

Like other Cambodians who suffered at the hands of the Khmer Rouge, Khieu lost two members of his family. He joined the Kampuchean National United Front for National Salvation and was appointed editor of this state newspaper when it was first established.

"The major mistake made by the Khmer Rouge was that they did not really understand Cambodian society. Take land reform and the destruction of landlords, for example. There have never been landlords in Cambodia and so how could you topple the landlords? They were killing their own people," said Khieu.

The Khmer Rouge can play a role in reaching a political agreement. But Khieu said that they must not be allowed to play a role militarily, because the Khmer Rouge are still the Khmer Rouge. Even though they claim to have changed, they are still murderers. Besides that, the leadership of the Khmer Rouge is unacceptable because of the human rights issue.

As for the Khmer Rouge leadership, the main target is Pol Pot. In Khieu's view, Ieng Sary and his wife, Ieng Thirith, wield great power in the Khmer Rouge. As for Khieu Samphan (who is no relation to Khieu Kannarit), Khieu said that the Heng Samrin regime has not yet decided whether it can accept this Khmer Rouge intellectual. But the Khmer Serei of Son Sann will not accept him.

This Cambodian newspaperman said that all of the previous leaders of Cambodia, not just Pol Pot, must accept responsibility for what happened to Cambodia and the Cambodian people. At present, he feels that the most pressing problem is to revive the economy of Cambodia.

Several people who are not members of Heng Samrin organizations and who were intellectuals in the old system had some very interesting things to say.

"The Cambodian people have had a bad fate. They have been oppressed so much that they are numb," said a 60-year-old man to SU ANAKHOT. He talked about the life of Cambodians in the crowded capital:

"Most people are trying to survive. They talk only about how to make a living. They receive little news. Those who have a television watch it for entertainment rather than to get news. As for establishing a government of national reconciliation, people are not really interested, except that they don't want the Khmer Rouge to return. People are now very confident that they are safe in Phnom Penh even though Vietnam will soon withdraw all its forces. When Vietnam first began withdrawing its forces, morale declined somewhat. But it was admitted that in the end this would be better."

The life of the elderly is no different than it was in the past. During their free time, they go to the temple. There are many Kathin ceremonies. You can see this on the roads outside the city. Tables are set up along the roads to accept donations from people passing by. But in the view of some people, in this regime, the temples are political organizations that can be used to help organize the masses. They are a symbol that religion can survive in a communist system.

How much does it cost to live in Phnom Penh?

The answer is about 200 riel, or approximately 35 baht, a day. Rice costs 20 riel per kg. Pork and fish cost about 100 riel per kg. Fish and large shrimp are hard to find because these goods are exported in order to earn an income for the country.

As for where the money that is used at the markets comes from, some of it comes from the sweat of the brow, working the land to produce crops. Goods are bartered, and currency is used at the markets. But some of the money comes from abroad. There are no restrictions on how much money can be sent from abroad. About 25 percent must be paid to the state in taxes. But this is considered to be the easiest way to bring currency into the country. Based on observations at the central post office in Phnom Penh, every day, many Cambodians go there to send letters to people in the United States, Canada, Europe, and Australia, and they queue up in long lines to call abroad.

Free markets can be seen everywhere. But one Cambodian observed that the "farmers, or poor people in Cambodia, are now poorer than in previous periods. This is because they must sell their main produce such as rice at the state price, which is quite low. But when they purchase goods at the markets, they have to pay free-market prices, which are much higher. In effect, they have to sell low and buy high.



**Implication of Joint Ventures With Thailand**  
42070047a Bangkok SIAM RAT SAPDA WICHAN in  
Thai 6 Nov 88 pp 10, 11

[Excerpt] [Passage omitted] After Laos promulgated its new investment law at the end of July, a private Thai company signed a joint investment agreement to produce clothes in Vientiane. This agreement, worth \$8.5 million, was signed at the beginning of September. The Thai company owns 85 percent of the shares. Also, the Express Transportation Organization of Thailand, or ETOT, is making arrangements to transport a large shipment of materials across the border. These materials will be used in constructing the Saset Dam in Laos. This is being done based on an agreement signed just recently. The materials will be transported through the Chong Mek checkpoint in Ubon Ratchathani Province, which is opposite lower Champassak Province in Laos.

"We have sent people to check the road, because the road between Chong Mek and the dam, a distance of 20 km, will have to be repaired before we can transport the materials there," said Mr Pongphon Adireksan, the director of ETOT, to SAPDA WICHAN. As for repairing the road, four companies have already submitted bids to Laos. Two of these are Thai companies, that is, the Ital-Thai Company and the Si-Uthong Company. "The road should be ready by next February. I will check it, too."

ETOT often transports goods to Laos. It also transports goods, mostly logs, from Laos. Recently, fewer goods have been sent to Laos from third countries. This is because Laos has been importing more and more goods directly from Thailand. As for the Saset dam project in Saravan Province in Laos, this is a 4-year construction project. ETOT will have responsibilities throughout the life of the project. [passage omitted]

**Thai Paper on Chatchai Visit**  
42070047c Bangkok SIAM RAT SAPDA WICHAN in  
Thai 4-10 Dec 88 pp 26, 27

[Excerpts] [Passage omitted] Gen Chatchai Chunhawan, the prime minister, visited Laos on 24 and 25 November in an effort to establish closer relations with Mr Kaysone Phomvihane, the prime minister and head of the cabinet of the Lao People's Democratic Republic. [passage omitted]

The customs and traditions of the two countries are not the same. In Laos, when the national anthems of the two countries were played, there was a 19-round artillery salute. After that, the honor troop was inspected. After walking past the soldiers, our prime minister greeted the ministers and other important people in line. After greeting everyone, he returned and listened to a report by the head of the honor guard, which closed the ceremony. This is very different from how things are done elsewhere.

After getting settled in his quarters, our prime minister went to meet Mr Phoumi Vongvichit, the acting president of Laos at the Government House. Mr Phoumi Vongvichit is serving as acting president in place of Prince Souphanouvong, who is ill. Thus, Mr Phoumi Vongvichit is considered to be the most powerful person in Laos today. During their discussion, the two men did not need to use an interpreter. The welcoming remarks were made extemporaneously. Neither one had prepared a speech. Their remarks were aimed at building friendly relations between Thailand and Laos. At one point, Mr Phoumi said: "While you are here, please feel free to act as if you were in Thailand. If someone does not serve you properly, feel free to correct them as if they were your child." Gen Chatchai Chunhawan replied: "Let's forget the past. Instead, let's look to the future in order to improve the lives of both our peoples and to develop both our countries."

Even though Gen Chatchai had never met Mr Phoumi before, they felt at ease together following these official remarks. He told Mr Phoumi that he had come to Vientiane frequently in 1948 when he was a child, because his family lived in the northeast. He didn't know where else to go and so he often went to Vientiane. He met many important people at that time, including Mr Kratai, who knew Police Gen Phao Siyanon, his brother-in-law. "The minister of interior here is my brother-in-law," said Gen Chatchai pointing to Maj Gen Praman Adireksan, who was sitting in another row. Mr Phoumi said that "I have heard much about you and seen your picture quite often. It's a pleasure to finally have a chance to meet you." Gen Chatchai said that "Phao was my oldest brother-in-law." And pointing at Air Chief Marshal Sitthi Sawetsila, he said that the "minister of foreign affairs has joined me."

This conversation took place in an atmosphere of friendly relations between fraternal countries. At one point, Mr Phoumi Vongvichit said that "Today, we are sitting here together. That is, we are showing affection for each other. I hope that this good feeling toward each other lasts for a long time. If any problems arise, we should work together to solve them." That is all I heard, because Lao officials shouted for us to leave the room, which was reserved for just the officials. [passage omitted]

On 25 November, before lunch, there was a "baisi" ceremony at the auditorium of the Office of the Prime Minister. Those who participated in this ceremony had to sit on the floor on a cushion for more than 30 minutes. I noticed that both Gen Chatchai and Mr Kaysone had to change positions frequently. But in the end, their patience and determination defeated the cramps in their legs. After that, a string was placed around their wrists. Finally, they had to drink a champagne toast. But in Laos, they used a liquor made of rice (a type of liquor that is illegal in Thailand). The two prime ministers and their wives took the first drink using straws. After that, the Thai ministers took a drink. When Maj Gen Praman

Adireksan took the straw, he paused a moment, thinking that he was the minister of interior and that he was in Thailand. But then he thought that this was a toast to Thai-Lao friendship and could lead to lasting friendly relations between our two countries and so he took a long drink and said: "To better relations between Thailand and Laos."

#### **Press Profiles Newly Elected Vientiane Representatives**

42060030 [Editorial Report] The 28 October edition of VIENTIANE MAI provided the following information on candidates running for seats in the Provincial Assembly:

Sisavat Keobounphan, 60, a general and candidate from Saisettha District, is LPA Chief of Staff and Chairman of the Vientiane Capital Administrative Committee. He was born in Ban Houai Kaleun, Meuang Canton, Sam Neua District, Houa Phan Province. His current residence is Nong Bon, Saisettha District, Vientiane Capital. His ethnic group is listed as lowland Lao and his race as Red Thai. He "joined the revolution" on 14 April 1947. He has a secondary school education and a high-level theoretical education.

Phimpha Thepkhamheang, 43, a candidate from Saitani District, is Vice chairman of the Vientiane Capital Administrative committee responsible for agriculture. He was born in Bolikhan District, Bolikhamsai Province. His ethnic background is listed as Thai Mia. He "joined the revolution" in 1960. He is a university graduate and has a high-level political education with a sub-bachelor's degree [anou-bandit]. He is a senior-level forester by profession.

Dr Siho Bannavong, 50, a candidate from Sikhottabong District, is vice chairman of the Vientiane Capital Administrative Committee and chairman of its standing committee. He was born in Phon Hong, Vientiane Province and resides in Vattai Noi, Sikhottabong. His ethnic background is lowland Lao. He "joined the revolution" in 1959. By profession a medical doctor, he has a university education and has both a mid- and high-level political education.

#### **Reporter Reviews Thai Investment Opportunities** 42070047b Bangkok NAEON in Thai 4 Dec 88 p 5

[Article by Withaya Tanthasut: "The New Thinking of Laos"]

[Excerpt] [Passage omitted] Several countries are interested in Laos, but Thai investors awoke to the possibilities faster. In 1988 alone, many large and small Thai investors travelled to Vientiane. Those skilled in building hotels signed contracts to build large hotels. Those in the construction business submitted bids on various projects. Ital-Thai, Viennini, Berli-Jucker, and the group of "Big Chiu's son-in-law" are the names that are being talked about in Laos today.

The important figure behind the the development taking place in Laos who is playing a more and more prominent role is Mr Chanseng Phimmavong, the son-in-law of Gen Sisavat Keobounphan. Gen Sisavat is the chairman of the Vientiane City Committee. Mr Chanseng, who is still a young man, is the deputy director of trade and industry, Vientiane City.

From the standpoint of Thai investors, Laos is a "virgin" country. Its only asset is land. Everything has to be rebuilt. To implement the "New Thinking" policy, Laos will have to spend almost 10 billion baht within a 5-year period.

Besides building five dams, Laos also plans to build the Krachao project across the Mekong River from Si Chiang Mai District in Nong Khai Province to Vientiane at a cost of 200 million baht. The construction contract might be signed before the end of the year. There are also the projects to expand the areas for producing para rubber, corn, castor beans, and soybeans. These will get underway in 1989. After that, it plans to build factories to produce clothing, animal feed, processed food, and daily necessities.

The 4 million people of Laos are beginning a new life in a capitalist and liberal economic system. The investment promotion law allows foreigners to take all their profits out of the country. All they have to pay is an income tax of 25-30 percent. And this tax is waived during the first 4 years.

The time for armed clashes in Indochina is past. From now on, there will be a trade war. Laos, Cambodia, and Vietnam have built strong "fortifications" with a socialist system. Thai in the private sector will have to join together in order to have solidarity, with the government providing advice. They must put an end to the system of "big fish eating small fish" and stop trying to destroy each other out of greed.

Thailand and Laos are fraternal countries and so Thailand has a great advantage over other countries. If we fight over the profits, other countries that are farther away but stronger will seize Laos' economic base, leaving little for Thailand.

#### **Further Reports on Thai Computer Software Package** 42070047d Bangkok SIAM RAT SAPDA WICHAN in Thai 4-10 Dec 88 pp 26, 27

["World Window" column by Chaluai Ruangchan: "Laos, Don't Look Just at the Surface"]

[Excerpts] [Passage omitted] I visited Laos most recently together with the delegation of Gen Chatchai Chunhawan, the prime minister, who made a official visit to Laos on 25-26 November. [passage omitted]

Some Thai feel that Laos is several decades behind Thailand. Thus, it was very exciting to learn that Thai institutes of higher education have written a computer software package to enable computers to write in the Lao language. This computer package was given to the prime minister to give to the Lao government as a present.

The hope is that Laos will be a market for our technology. It was Television Channel 9 that reported that this was the first Lao-language computer in the world. I told our Lao hosts about the capabilities of the Thai people. They said: "We are glad that Thailand has given us this computer. But why did this take so long?"

I said that we hadn't waited. Soon after the program was written, we sent it to Laos as a gift. The Lao officials said that what they had meant was that Laos has been using Lao-language computers for several years now. These

were built by Lao engineers trained by American and Soviet experts. The Lao officials then showed me the itinerary of the prime minister, which had been printed by computer.

When he presented the computer to Laos, Gen Chatchai told his hosts: "If you would like many of these, we will sell them to you."

The Lao officials replied: "Fine, fine."

But I learned that the system invented by Thai is incompatible with the system now in use in Laos. Furthermore, the report broadcast that evening by Television Channel 9 said that the computer given to Laos by Thailand was the first such computer in the world. I don't know if the Channel 9 reporter who visited Laos knows the truth about this. [passage omitted]



**Bishop, Mayor Seek Aquino Intervention  
in Military Operations**  
42000071c Manila THE MANILA CHRONICLE  
in English 18 Dec 88 p 7

[Article by Carolyn Arguillas]

[Text] Polomolok, South Cotabato—A Catholic mission group serving tribal Filipinos in the province for the past 27 years has appealed to President Aquino to instruct the Office of Southern Cultural Communities (OSCC) and the military to desist in their "orchestrated campaign" of "undermining and destroying the program for tribal Filipinos."

The OSCC on Dec 2 directed Sta Cruz Mission director Fr Rex Mansmans to "immediately remove all your employees and belongings from the Tasaday reservation area, otherwise they will be accused of "illegal entry."

The Sta Cruz mission set up two schools and community centers in the Tasaday and Manobo Blit reservations three years ago upon the persistent request of residents there.

The military, on the other hand, has been bombing the forested areas of the Tasaday reservation and recruiting and training unqualified tribal Filipinos into armed CAFGU members, said Bishop Dinualdo Gutierrez, who personally handed the letter of appeal to President Aquino during her visit here Monday.

Gutierrez, Gov Ismael Sueno, Lake Cebu Mayor Ramonito Crespo and "educated tribal Filipinos" endorsed the Sta Cruz Mission's letter of appeal.

Gutierrez said the OSCC and the military "have been accusing the Sta Cruz Mission and Mayor Crespo of having connections with the New People's Army."

"These are baseless accusations," Gutierrez said. He added that the actions of the OSCC and the military have raised questions about their real motives in the Tasaday reservation area.

Gutierrez said he could not understand why these two offices want the Sta Cruz Mission removed from the area. The mission gives free education, health and agricultural development services to tribal Filipinos. Gutierrez said there are talks that the area is rich in gold and its virgin forests a potential for logging purposes.

"I hope this is not the reason," Gutierrez told the CHRONICLE.

Mayor Crespo, on the other hand, said that the order of OSCC provincial officer Emilio Fado "suspiciously came about" immediately after Fado and some Tasaday arrived from Manila, where they attended the International Conference on Indigenous and Tribal Cultures.

Crespo said most of those who filed the petition to remove the Sta Cruz Mission in the area "have been away from their communities for many months."

Crespo wrote Fado that reliable reports indicate that he (Fado) and his group, including the alleged petitioners, were stranded in Manila during the conference "and had to appeal to Mr Manuel Elizalde for part of your group to return to South Cotabato."

Fifteen of Fado's group reportedly received P1,200 each from Elizalde, Crespo said.

Crespo also said the military has been training tribal members into armed CAFGU elements within the Tasaday reservation area.

"This violates the rules on CAFGU training. Not only are they not reservists. Worse, we, the civil government officials, were not consulted by the military," Crespo said.

A series of bombings in the Tasaday reservation area were recorded on Nov 15, 16, 21 and Dec 6 by the military "for whatever reason, we do not know," Crespo added.

Gutierrez said President Aquino has assured him that the Sta Cruz Mission will be allowed to continue their work in the Tasaday and Manobo Blit reservations. Gutierrez also said that Mrs Aquino has directed Defense Secretary Fidel V. Ramos to call off the operation in the Tasaday reservation area. Ramos told Gutierrez he will have the matter investigated.

**Ramos Offers No Comment on Marcos Return**  
42000082a Manila THE MANILA CHRONICLE  
in English 5 Jan 89 p 3

[Text] Defense and military officials yesterday refused to make any definite position on the return to the country of the former president, Ferdinand Marcos.

Defense Secretary Fidel V. Ramos said the highest political authorities should decide on what to do with the former president's wish to return home.

"Let's leave it to the President and the congressional leaders to decide," Ramos told reporter during a weekly press briefing at Camp Aguinaldo.

For his part, military spokesman Col. Oscar Florendo said the Armed Forces could only abide by whatever decision President Aquino would make. He said the military is reserving its own recommendations and would only submit its comment if the President would ask them to.



**Cebu Journalist: NPA Death Threats Backfire**  
42000071g Cebu City SUN STAR DAILY in English  
10 Dec 88 pp 6, 27

[Commentary by Cerge M. Remonde: "Commies Erred Anew on Death Threat"]

[Text] Immediately after my radio commentary program yesterday morning, a supporter reported that communist posters which contained warnings against us have appeared on the walls of some public places in the city. I told my alarmed supporter that it is nothing to worry about.

I brought a relative to the Cebu Doctors Hospital for medical check up later in the morning. I drove by Juan Luna and that was when I saw for myself the communist wall posters which attracted quite a number of people near the gate of the Cebu Central Colleges.

The poster, which was actually more of a death threat, was signed by the Kabataang Makabayan (KM). The KM is the communist underground youth organization. Its legal counterpart in the youth movement is the League of Filipino Students (LFS) with the National Union of Students in the Philippines (NUSP) as mutant.

What I do not like about the posters is the inclusion of other mediamen who were just really trying their best to be as objective as possible. Edgar Gutierrez, of DYRC, Rex Ricarte, of DYBU, and Cerwin Eviota of the FREE-MAN DAILY and the PHILIPPINE DAILY INQUIRER, and others. They have nothing to do with the anti-com movement (I wish they have).

Doming "Firing Line" Alcorido, chairman of the People's Alliance Against Communism (PAAC), is fuming mad. He feels that the communist terrorists are doing him a great dishonor. His name was not among those included in the KM warning list.

There is nothing that the communist poster can do to affect us. For the past two years, we have already been aware that the communists are out to kill us. It is not the first time that we got a death threat from them. Less than an hour after communist terrorists hit Leo S. Enriquez III in Mandaue City last year, a male voice told my secretary that they are really after us. They just had a hard time doing it, he said. That is why they got Leo first, he added.

The communists have erred again in threatening us. We have publicly stated time and again that death threats will not stop us from pursuing our crusade against communism. On the contrary, it will challenge us to work harder for the eventual crushing of the communists and their useful fools in this country.

I said the communists erred again because it is their death threats two years ago that virtually convinced me that they are an insidious enemy of the people. That led

us into crusading against communism for the last two years and for as long as we live. There are simply some men who would rather succumb to reason than threats.

I am not really an ideological stranger in so far as the communists are concerned. I believe in the basic social principle of equal distribution of wealth. I even consider myself in the left of center of the political spectrum. We cannot, however, live with tyranny, be it from the extreme left or the extreme right.

I just hope that our colleagues in media who are now recipients of death threats from communist terrorists will not succumb to this psychological pressure. I think these mediamen were included in the warning list so that they would be more accommodating to communist propaganda.

Our colleagues should not yield to this psychological terrorism. What the KM has done to us is a challenge we should accept. This people are not even in power yet, but they have already started terrorizing mediamen.

It is international human rights day today. The KM and their cohorts will be holding marches and rallies to denounce alleged human rights violations by the government. They have just violated our basic human right by threatening us and other mediamen.

**NDF Land Reform in Panay Said Successful**  
HK1801044189 Manila THE MANILA CHRONICLE  
in English 18 Jan 89 p 6

[Text] Eight years ago in the small farming sitio of San Simon in Panay, farm workers earned only P7 for every ton of sugarcane they cut and loaded in a truck. The average peasant family ate only once a day. And primary education was a luxury.

Now, these peasants and farm workers can do their marketing twice a week. Some families can even afford to send their children to two-year vocational courses after high school.

San Simon (not its real name) is the picture of an area being flaunted by the National Democratic Front-affiliated Pambansang Katipunan ng mga Magbubukid (PKM) [National Farmers' Movement] for having successfully implemented their "Rebolusyong Agraryo [Agrarian revolution]."

Featured in the October issue last year of the NDF publication LIBERATION, San Simon exemplified a village where rural folk have turned to the revolutionary movement for the solution to their age-old agrarian problems. But despite the sitio's profound economic and political gains, the traditional snags like usury and lack of technology remain.

From 1981, when the first NDF Propaganda Organizing Team (POT) entered the sitio, idle lands have been occupied and distributed at an average of one hectare for each landless farmer; land rents have been dramatically reduced, with the landlords now getting less than one-fourth of the palay harvest, down from two-thirds; and an irrigation system has been built, covering at least 70 hectares.

LIBERATION claimed that the "masses" (unorganized residents) have been assertive of their rights as they "have achieved higher social and political consciousness." The masses now "unhesitatingly confront" the landlords during negotiations, the publication added.

The armed struggle for social change has been "widely accepted" by the rural folk of San Simon, and members of the PKM and the New People's Army (NPA) are well received in the area.

"While not all the farmers in the barrio are PKM members, they have been consistent supporters of the revolutionary movement. They openly acknowledge the crucial role of the revolutionary forces in initiating changes and improving their living conditions," the publication said.

The PKM has assumed the task of the local political authority, while the NPA has taken charge of defense matters, patrolling around the area in anticipation of possible harassment from the landlords' armed goons and keeping cattle rustlers out.

The publication, however, admitted that the Marxist peasant organization has not helped solve everything. "The problem of usury has not been eradicated since the usurers from whom farmers from San Simon and other barrios borrow their capital are found in the town center. It would take the concerted action of farmers in the barrios concerned before this problem can be resolved," LIBERATION wrote.

Sympathetic rice dealers have been buying the farmers' produce at reasonable prices. Agriculture input dealers who charge "exorbitant prices" for seeds, fertilizers and pesticides, however, remain, and the PKM is still to put up its own production cooperative as an alternative to the latter.

The irrigation system in the sitio is a stretch of canal bordered by sand bags. It was constructed by the peasants in 1986 "with nothing but their sheer determination and strength as capital," the NDF publication wrote.

In spite of the irrigation's shabby construction, the farmers benefited with three croppings a year.

Government officials have dismissed as "isolated cases" those areas like San Simon where the rebel agrarian reform has been implemented successfully. Agrarian reform department officials said that such areas lack the needed support services, and thus will not last long.

LIBERATION, however, claimed that the peasants launch fund-raising projects like a "baile" (barne dance), and the "flores" (house-to-house serenading). Then there are those PKM supporters who donate substantial amounts of money to the organization. In 1986, a nun gave P.3,000 and this helped them purchase a water pump.

#### Cleric Warns Against Loosely Applying 'Communist' Tag

42000082b Manila PHILIPPINE DAILY INQUIRER  
in English 8 Jan 89 p 4

[Commentary by Father Shay Cullen, SSC, in the "Reflections" column: "Marking the Innocent for Merchants of Death"]

[Excerpts] [Passage omitted] People are also labelled according to their usefulness. A street beggar can be seen negatively as a "pest" or positively as a "source of cheap labor," depending on the beholder's needs and perspective. One's behavior towards the beggar will depend on how we decide to label him or her. If the prospective "piece of cheap labor" begins to ask about basic wages and legal benefits, he or she is returned to "pest" status. Changing labels is the privilege of the haves over the have-nots.

Labelling is a very important part of a government's system of controlling people they don't like and others against them. Labels are like branding irons they use to scare a person for life and alienate the person from his family or community. Today in the Philippines the word "communist" has been made a synonym for "evil" and reduces a person labelled thus to the status of non-person, hence the slogan, "The only good communist is a dead one." Ronald Reagan's branding the Soviet people as members of "an evil empire" was equal to a global insult. Being labelled or marked as a "bad" person or a "communist" can cause enough fear to paralyze people so they will not speak out or question injustice.

The practice has become so widespread that family is turned against family, neighborhood spy rings are set up to "catch the commie" and thus are planted the seeds of hate and distrust. It is worse than the indignities of the communist system where children were taught to inform on their parents. [passage omitted]

Labelling a person as a communist is now a practice of politicians who want to rid themselves of people who question the morality of their actions that cause of human suffering, and expose evil practices that oppress the poor and dehumanize women and children. A high-ranking politician in Olongapo tells his employees and

some members of the press that I am a communist. And if my sources are any way correct, he has intelligence officers running around in vain trying to find evidence of what does not exist.

The celebrated comment of the world-famous Brazilian Bishop Don Helder Camara goes like this: "When I give food to the poor they call me a saint, when I ask why they are hungry they call me a communist. I ask questions all the time."

With slanderous slurs a person can be made a marked man (or woman) and become a target for abuse. In such a case all human rights are negated by such a condemnation which is often made without a shred of evidence. So widespread and so arbitrary is the practice of the powerful to condemn those they disapprove of that if a rich man wants a poor man's land he can now call the poor man a communist, point him out to the vigilantes

who will then "legitimately" do the dirty work and get their reward. Labelling is an immoral abuse of power and is likened to the signature on a death warrant. Those who label others have a lot to answer for.

The practice of the powerful to unjustly slander others with labels is often motivated not by some political concern but by greed and selfishness. Recently, the world-renowned Santa Cruz Mission in Marbel, South Cotabato was being labelled "communist," allegedly by the revived Panamin and other government officials. In this particular case, the label "Communist" and "NPA" was stuck and promoted by a "rent-a-crowd" intended to discredit the mission and its director. The tribal people who are being helped by the Santa Cruz Mission have exclusive ancestral rights to forest and possible mineral resources. Gold fever has come to South Cotabato and its proponents will label and condemn anybody who gets in their way. [passage omitted]



**Editorial Asks PRC To Halt Aid to Khmer Rouge**  
42070049b Bangkok SIAM RAT in Thai 11 Nov 88 p 8

[Editorial: "Welcome to the Chinese Premier"]

[Excerpts] We would like to welcome the premier of the People's Republic of China, Li Peng, and his party, who are visiting Thailand as guests of the government. We feel that besides strengthening relations between Thailand and China, this visit will give the leaders of both countries an opportunity to discuss both bilateral and international problems, particularly the conflict in Cambodia. This problem still needs attention. China must cooperate fully if this problem is to be solved. [passage omitted]

Vietnam has now expressed a willingness to withdraw its troops on condition that the Khmer Rouge not be allowed to play a role in administering the country. This is a very important issue, because of the three anti-Vietnamese factions, the Khmer Rouge is thought to be the strongest because of the support that it receives from China. Many people fear that after Vietnam withdraws its forces, the Khmer Rouge will return to power in Cambodia.

Thus, it is essential that China stop providing aid and support to the Khmer Rouge. It was good to hear that China has expressed a willingness to compromise, saying that it will not allow the Khmer Rouge to play a major role in the Cambodian government. Li Peng can increase the confidence of ASEAN and the Cambodian people by affirming this once again during his visit here. [passage omitted]

**Criticism of PRC Aircraft Purchase**  
42070045d Bangkok MATICHON in Thai  
8 Dec 88 pp 1, 22

[Excerpt] [Passage omitted] After the recent visit to China by Air Chief Marshal [ACM] Woranat Aphichari, the RTAF CINC, who accompanied the delegation of Gen Chawalit Yongchaiyut, the RTA CINC and acting supreme commander, there were rumors that the air force had signed a contract to purchase two squadrons of F-7 fighter aircraft from China. But a report from the air force stated that this is not true. ACM Woranat just approved this in principle. He would like to form a committee to study the details and feasibility of this.

The report stated that the Chinese F-7 aircraft is modeled on the Soviet Mig-21 aircraft. It has the same shape and size as the Mig-21. The only difference is that China has tried to increase its performance by building its own engine and installing avionic equipment. It has put these into service in the military.

The report stated that later on, they upgraded the aircraft to the F-7 M. But the performance of this aircraft was not very good as compared with the standards for aircraft in general. In a joint venture with the Grumman Company,

an American aircraft production company, China developed the F-China, a redesigned aircraft with a different design than before. It also used avionic equipment and an engine from Europe to build the F-Super, which is said to be a mixed Chinese-U.S. aircraft.

The report stated that even though the aircraft has been upgraded to the F-super, in aircraft production circles, its performance is still suspect in many countries that are experts in this, particularly European countries.

The report stated that the F-Chinese fighter aircraft is built by the "Catik" Airports Authority of China, which wants to sell these aircraft to third-world countries. It has sold F-7 M aircraft to Pakistan, Iran, and Iraq at a low price in the hope of gaining world markets. The prices of the various models differ by \$3-12 million.

A news source active in weapons dealing circles said that China's aircraft technology is 10 years behind that of the European countries. Thus, after the air force studies the details and feasibility of importing this aircraft, it may decide not to buy the F-China aircraft. He does not think that the air force has made plans to purchase this type of aircraft, because it does not meet the specifications of the air force, which usually purchases the most modern weapons and equipment. Moreover, the air force just recently purchased a modern and highly efficient fighter aircraft from the United States, the F-16.

The news source said that if the air force does purchase this aircraft, many preparations will have to be made, because it is a different model. The air force will have to change its maintenance and communications systems. Pilots will have to be retrained, because Thai pilots have never flown Mig aircraft before. Also, equipment will have to be changed. If this aircraft is purchased, it will not be purchased in the near future. [passage omitted]

**Changes in 6th NESDB Plan**  
42070049a Bangkok SU ANAKHOT in Thai  
2-8 Nov 88 pp 31, 32

[Excerpt] Last week, the House of Representatives passed the 1989 Draft Budget Act, which calls for expenditures of 285,500 million baht. This was vigorously opposed by the opposition parties in the House.

If this act is passed by the Senate and goes into effect, the ministries, bureaus, and departments can begin using the funds allotted in accord with the policies, plans, and projects formulated, particularly the 6th National Economic and Social Development Plan (1987-1991). This plan provides the framework for national development to which the various elements of the bureaucracy must adhere in carrying out things.

However, the economic situation has changed greatly since the 6th Development Plan was first formulated. In particular, various economic growth rates are much



higher than originally predicted. Thus, the government feels that sections of the plan must be revised in accord with present needs and future trends.

Last week, the economic cabinet passed a resolution approving the idea of revising the 6th Development Plan based on the recommendations of the Development Council. A subcommittee will be formed to revise the 6th Development Plan. The chairman of the subcommittee will be Mr Phong Sarasin, the deputy prime minister. Other members of the subcommittee will include the minister of finance, the under secretaries of the ministries concerned, and the director of the Bureau of the Budget. The secretary general of the National Economic and Social Development Board will serve as secretary. The subcommittee will consider revising the plan and submit its recommendations to the economic cabinet within the next 3 months so that the government can use this plan in formulating the 1990 budget.

As for how the plan will be changed, in view of the fact that the economy in 1988 has expanded at a rate of 9 percent, exports and investments have increased 25 and 20 percent respectively, and the rate of inflation has remained at only 4.5-5.0 percent, the NESDB feels that the most pressing problem today is to compensate for the lack of public utilities, basic public services, and skilled laborers. In order to ensure that the Thai economy continues to grow, six things must be done:

First, we must increase our ability to compete abroad. This is a matter of changing the management of our economic and trade structure in line with the changes in the competitive factors in the world trade system.

Second, the private sector must be allowed to play a role in creating the basic factors regarding public utilities and public services, such as marine and rail transport, telephone service, electricity, communications, roads, and various sources of energy. Because today, there is a shortage of these basic factors, and there is much confusion.

Because of the need to increase these basic factors, it may be necessary to raise the ceiling on foreign loans. The present ceiling has been set at \$1 billion a year.

Third, with respect to developing our natural resources and environment, we must devise a decentralized management system and let each locality formulate plans on allocating the resources in accord with the occupations in the locality. As for the environment, we must have a system and center to eliminate toxic substances. In particular, with respect to industrial pollution, there must be regulations on building industrial plants, with plants assigned to zones where this can be monitored and controlled. In the past, only 287 of the 2,261 projects that have received investment promotion have been located in industrial zones.

Fourth, the private educational institutions should be promoted. The state should review those regulations that hinder the establishment of private educational institutions. The private sector should be allowed to choose the curriculum based on the needs of the labor market in order to develop our human resources. Today, there is a shortage of skilled laborers. For example, in 1988, we needed 7,000 skilled workers. But the vocational schools graduated only 2,700 people. The market needed 500 technicians, but the schools produced only 200.

Fifth, changing the form of the state enterprises should be supported. Because at present, the state enterprises are inefficient. They employ 250,000 people. As a result, their expenses are very high, and they have created much debt, with the government having to guarantee the loans. The debt now stands at approximately \$779.45 million, or 78.4 percent of public-sector loans. Changing the form of the state enterprises will help reduce this problem.

Sixth, in improving the country's financial and monetary position, the important thing is to increase private- and public-sector savings so that there is sufficient money available for investment. Today, the country's economy is growing at a rate of 8-9 percent. The ratio of investment to national income must be 27-28 percent, and the mobilization of savings should be at a level of 22-23 percent of national income. If this can't be achieved, economic stability could be affected. [passage omitted]

**Chawalit Approves Army Leadership of State Firms**  
42070045a Bangkok LAK THAI in Thai  
24 Nov 88 pp 22, 23

[Excerpts] Gen Chawalit Yongchaiyut, the RTA CINC and acting supreme commander, said that regular government officials can't help carry out political tasks because of constitutional prohibitions. He also expressed concern about democracy, saying that if things are not done at the proper time, problems will arise. His comments have sparked much criticism. But one point worth considering is whether allowing "military officials" to hold administrative positions in state enterprises amounts to "helping political officials."

Gen Chawalit has never prohibited military officers from serving on the boards or holding positions in state enterprises. But when he first became the RTA CINC, his policy was that soldiers should not interfere in the work of others. Soldiers should be soldiers and carry out their own duties. Because if they become involved in the work of others, their own work will suffer, and the work of the state enterprises will be affected. Another thing is that he did not want people to think that soldiers were earning salaries from the state enterprises. Thus, during that period, senior military officers who had been asked to become board members of state enterprises declined the position. Among these were Gen Sunthon Khongsomphong, or "Big George," and Lt Gen Chaichana Tharichat, the then commander of the 3d Army Region,

who is now deceased. Gen Chawalit did not accept any state enterprise position either. But later on, several soldiers did take positions in state enterprises. Lt Gen Wirot Saengsanit, for example, became a member of the board of the Bangkok Mass Transit Authority. When the board was changed, his name was not on the list. Most recently, Lt Col Suraphan Phumkao became a member of the board of the Mass Communications Authority of Thailand.

### The Policy Has Changed

During the time of Gen Prem Tinsulanon, the policy was adhered to strictly. That is, soldiers were soldiers. They did not become involved with state enterprises or interfere in politics. But now that Gen Chatchai Chunhawan is prime minister, there are complaints about regular government officials not being allowed to help carry out political tasks. It seems that senior military officers will now be allowed to hold positions in state enterprises. This became clear when Gen Charuai Wongsayan, the secretary of the Army, was appointed head of the Telephone Organization of Thailand.

A news source said that the fact that Gen Charuai Wongsayan has been appointed head of the Telephone Organization of Thailand is of great significance, because he is the right-hand man of Gen Chawalit. Big Chiu has always been the one who has set policy, and the person who has implemented the policies has been Gen Charuai. [passage omitted]

The state enterprises have now begun allowing military officers to hold important positions. Both state enterprises are large enterprises with huge profits. They are units with billions of baht involved. The fact that senior military officers can now hold positions in state enterprises, contrary to the previous policy of Gen Chawalit, can be viewed in two ways. One is that this stems from a desire to relax things and allow soldiers to work for state enterprises before they retire. Because if they are retired, no one will ask them to serve on the board of a state enterprise. Thus, if they have a chance to hold such positions, they will do so. Another reason is that Gen Chawalit may want regular government officials to help carry out political work. Even though the state enterprises are in business to make a profit, they are under the control of political officials, that is, ministers. Helping the state enterprises means helping politics in an indirect manner.

### Relaxation Because of Thienchai

LAK THAI has learned that Gen Chawalit has taken this new position on allowing military officers to hold state enterprise positions because Gen Chatchai Chunhawan, the prime minister, put Gen Thienchai Sirisamphan, the deputy prime minister, in overall control of the state enterprises in his capacity as chairman of the State Enterprise Supervisory Committee. Gen Thienchai is the one who asked Gen Chawalit to relax his policy on

allowing officers to hold positions in state enterprises in order to help monitor things. This is concerned with the political security of the government, too. Gen Thienchai once served as the chairman of the board of the State Railway of Thailand while serving as the deputy RTA CINC. That was when Gen Athit Kamlangek was the RTA CINC and chairman of the board of the Telephone Organization of Thailand.

Gen Thienchai probably told Gen Chawalit that allowing senior military officers to hold positions in state enterprises won't harm anything if they just help set policies and monitor things to ensure that the targets are hit. As for the Telephone Organization of Thailand, there are plans to expand its scope. Thus, it is essential to have a skilled planner such as Gen Charuai Wongsayan serve as chairman of the board.

### Others Can, But Not Me

Our news source said that Gen Chawalit was asked to serve as the chairman of the board of the Telephone Organization of Thailand just as Gen Athit did when he was RTA CINC and supreme commander. But Gen Chawalit said that he could not hold a position in any state enterprise but that he did not object to others holding such positions. He said that Gen Charuai Wongsayan is free to accept a position if he wants to.

Gen Chawalit also told friends in CRMA [Chulachomklao Royal Military Academy] Class 1 that anyone can accept a position in a state enterprise if they want to help carry out the work. Because that is working for the people, too. But they must be careful, because if the state enterprise goes bankrupt, that could tarnish the image of the military. He said that he would not accept a position in a state enterprise, because that is contrary to his feelings as the person who implemented the policy of keeping soldiers from interfering with the state enterprises.

### From Tiger to Head of the Tobacco Monopoly

There were rumors that the present director of the Tobacco Monopoly would be replaced by a military officer. The rumor was that Gen Wichit Sukmak, who is presently assigned to Supreme Command Headquarters and who is a fellow classmate of Gen Phichit Kunlananit, Big Sua, CRMA Class 2, would be appointed director of the Tobacco Monopoly. But he would have had to resign from the military so that he could serve in that capacity full time. LAK THAI was informed that Gen Wichit Sukmak, who is scheduled to retire in 1993, asked for time to think about this and finally decided to decline the position. He will continue to serve in the military. [passage omitted]

**Navy Base Sited for Southern Province**  
*42070046a Bangkok DAO SIAM in Thai*  
5 Dec 88 pp 1, 16

[Excerpt] [Passage omitted] Mr Phichai Wasanasong, the spokesman for the Commission To Study the Possibility of Developing the Five Southernmost Provinces, which is the new hope of the people of the nation, said that at a recent meeting, the commission discussed the Navy's plan to build a naval base at Khlong Buboi in Langu District, Satun Province. He said that this will play a major role in developing this area. Some members of the commission felt that because this area is a forest preserve, steps should be taken to prevent people from trespassing on this land before the Navy builds a base here.

Mr Phichai said that building a road to link the two ports will help develop the economy of the five southernmost provinces. However, some members of the commission expressed concern that financiers will buy up land in order to make huge profits, which would be taking advantage of the government.

**Parliament Commission Spokesman on 'Green Northeast'**  
*42070046b Bangkok SIAM RAT in Thai 27 Nov 88 p 3*

[Interview with Mr Chamni Sakdiset, a Progressive Party MP from Nakhon Sithammarat Province and the Spokesman of the Commission To Consider the 1989 Draft Budget, by Suphachai Butrachan; date and place not specified]

[Excerpt] [Passage omitted] [Question] What do you think about the "Green Northeast" project?

[Answer] First, there are many units involved in this project. The commission is concerned about how these units will manage the project. We are trying to clarify the role of each unit. Because if the lines of authority are not clear in carrying on things, this could become an obstacle. We have been informed that besides the Royal Center To Help the People, which is the center that is implementing this project, a government committee is in charge of overseeing policy. If things cannot be carried out efficiently, the higher-echelon committee can make administrative changes. The plans can also be revised, because this project developed from efforts to solve a specific problem, that is, the need to find sources of water for the people. This then became a full-scale project. Because of this, the plans stipulated may not be very clear. The project committee must monitor this, because it is prepared to change the plans whenever necessary. Even though the Green Northeast Project is scheduled to end in 1992, the initial budget foundation will not be in place before 1989. That is one issue.

Another matter concerns mobilizing people from outside. We must make a serious effort to get the private sector to provide help. If the funds are not sufficient, we

must try to find additional funds elsewhere. That would have an effect on the national budget. But because the Green Northeast Project is a multi-sector project and because everyone sees the value of developing the northeast, the commission hopes that steps can be taken to handle these three problems, that is, formulating clear plans, managing things efficiently, and mobilizing funds from the outside. Everyone is concerned about these problems. But because various ministries, bureaus, and departments are involved, it is thought that if obstacles arise, it should be possible to work together to overcome them. The army is coordinating things. If problems arise, management must be improved as much as possible, which will enable us to hit the targets of the Green Northeast Project.

[Question] Do those who are considering the budget feel that the people have much hope in this project?

[Answer] It is thought that the people will benefit directly from this project. We have carried on such projects in the northeast before. But regular funds have been used, which has slowed things down because of budget limitations. This is a rather important matter. By working together, instead of taking 7-10 years to complete the project, we should be able to complete the project in just 5 years. This is because we have the funds. It can be seen that the top for some units has increased 500 percent. Others have increased 200-300 percent. Thus, instead of taking 10 years to complete, we can complete the project sooner. If the northeast has a stable source of water and is developed resolutely, I think that the people will definitely benefit. This is the goal of the Green Northeast Project. As for whether all the targets will be hit, that will have to be determined at the end of the project. But based on the statements of the units concerned, every unit is determined to carry out the project.

**Sukhumphan Describes Chatchai Advice Team Relationships**  
*42070046c Bangkok NAEON in Thai 4 Dec 88 p 3*

["Repercussions" column by Dam Paknam]

[Excerpt] MR [royal title] Sukhumphan Boriphat, a member of Prime Minister Chatchai's advisory team, was one of the 99 scholars who submitted a petition to the king asking that Gen Prem Tinsulanon, the then prime minister, remain neutral during the election. MR Sukhumphan is also a close friend of Krai Sak Chunhawan, and he is the nephew of the prime minister. Thus, he was appointed to the prime minister's technical advisory team.

MR Sukhumphan, or "Chai" as he is called by his friends, said that "we are working hard to obtain data for the prime minister. Every Monday evening before the Tuesday cabinet meeting, the prime minister meets with



us to discuss the matters that will be considered by the cabinet. He asks us what we think about the various issues and what decisions we think should be made.

"We summarize each of the problems and tell him what we think. We tell him what the effects of various decisions will be. We just exchange views. Because in the end, it is up to the prime minister to make the decision.

"We are very close to him. We understand each other. He considers us to be like his children. Whenever he asks us to do something, we do it. As for whether he follows our advice, that is his decision."

He paused for a moment and then said in conclusion: "But sometimes, I get very irritated. Even though all of us have a Ph.D. and even though we are all working hard to support the policies of the prime minister, some people have charged that we are too young and inexperienced to work at the national level."

That was the first time that I had heard that such criticism upset him. [passage omitted]

**Economic Forecasters See Possible Problems**  
42070045c Bangkok MATICHON in Thai  
2 Dec 88 pp 1, 21

[Excerpts] [Passage omitted] On 1 December at the Central Plaza Hotel, the Thammasat Economics Association held a seminar on the topic "The Direction of the Thai Economy in 1989." [passage omitted]

During the debate on the topic "Interest Rate Trends and the Effect on Financial and Capital Markets," Mr Aran Thammano, the director of the Fiscal Policy Office, said that interest rates should be increased in order to narrow the gap between savings and investment. Thailand has a great need for investment capital, but savings are only 23 percent of the GDP. Savings should be 30 percent of GDP. Thus, there is a gap of at least 10 billion baht used for investment. Higher interest rates will prevent inflation stemming from an overheated economy and help slow down investment. Otherwise, problems will arise concerning basic services and the trade deficit.

Mr Damrong Kurtsanamara, the managing director of Bangkok Bank, said that high interest rates will have a great impact on consumer businesses and real estate

activities. This will pose a great danger to the economic system, because the price of land will increase greatly. Home buyers will have to pay much higher mortgage payments.

Mr Suphachai Phanitchaphak, an adviser to the Thai Military Bank, said that the domestic prime rate will increase to over 13 percent next year. This is because interest rates in the United States are rising. As a result, interest rates in Thailand will rise, too.

"Next year, inflation will rise to over 5 percent. This will affect interest rates and the government's budget in following years. Even though the price of oil will not increase in 1989, it is thought that oil prices will go up in 1990," said Mr Suphachai.

Mr Wiraphong Ramangkun, the director of the Macroeconomics Section, Thai Development Research Institute (TDRI), summarized the results of the seminar as follows: [passage omitted]

"We have not discussed the figures on the import of goods and machinery used in investment in 1989. The figures will be much larger than in 1988. This is because private- and public-sector investment in various projects during the next 3 years will be valued at about 400 billion baht."

Mr Wiraphong said that more attention should be given to income distribution within the country, which will generate greater buying power. We must not focus on exports only. Because if exports stagnate and domestic markets lack buying power, the economy will immediately reverse itself, and we won't be able to do anything about it.

Mr Olan Chaiyaprawat, the deputy managing director of the Thai Commerce Bank, said that the investment figures for the previous 3 years as approved by the Board of Investment were as follows: 1986, 20 billion baht; 1987, 60 billion baht; and 1988, 170 billion baht. This was a great increase. This will lead to problems in obtaining money for investment. In particular, this could lead to a trade deficit of 90 billion baht in 1988 and 160 billion baht in 1989. The current accounts deficit in 1988 will be approximately 50 billion baht. In 1989 it will double to 100 billion baht. Thailand has never had such a huge current accounts deficit. And this deficit will continue to increase during the next 3-4 years. No country can borrow huge sums of money from abroad year after year, because there will be problems in paying the interest. Thus, before the Board of Investment approves future projects, it should give attention to investment funds. If these investments lead to an increase in exports, there will be a balance or surplus by 1994.



## POLITICAL

### An Giang Providing Military Aid to PRK Province

BK1601084289 Hanoi VNA in English  
0710 GMT 16 Jan 89

[Excerpt] Hanoi VNA Jan. 16—Sharing a common border, An Giang Province in South Vietnam and Takeo Province in Kampuchea have forged strong fraternal bonds through their struggle against the genocidal regime of Pol Pot.

The Vietnamese came to help the population of Takeo defend themselves against remnants of the Polpotists and other reactionary forces, but not in the military field alone. To consolidate the political force of the Kampuchean revolution was also a prime task of theirs along with helping the people start a new life from practically nought. The provincial party organization which had only two members in 1979 now has more than one thousand members and the youth organization has 322 branches totaling 2,330 members. A defence system composed of military and paramilitary forces has been set up: battalion- or regiment-sized units of the regular Army at the provincial level, company-sized units at the district level, and platoon- or company-sized of the paramilitary force at commune and hamlet level. [passage omitted]

### Fatherland Front Must Promote Democratic Reforms

42090072 Hanoi DAI DOAN KET in Vietnamese  
5 Nov 88 p 15

[Article by Professor Nguyen Ngoc Minh: "Where the Fatherland Front Stands and the Question of Democracy"]

[Text] A report of the VFF Central Committee clearly indicates that to take part in the building and development of socialist democracy is the VFF's leading task.

In my opinion, if we do not see where the VFF stands, we will by ourselves underestimate its work, remain indifferent, and fail to do its work in an effective manner. If the party and state organs do not see where it stands, they cannot further develop its role and strength.

Some people have raised the question whether we would still need it.

The party says, "Consider the people the roots," but can the VFF say so? Can the state as a whole say so?

I think that the VFF cannot say so because it is the people. It cannot keep itself apart from the people and say, "Consider the people the roots." There must be a correct understanding of "the people are the roots." The

VFF's place is right among the people. Its voice is that of the people. If its cadres separate themselves from the people, they will no longer be VFF cadres.

The word, "people," here must be understood in a very broad sense. The phrase, "the people's interests," here also must be understood in a very broad sense. And the people's interests are not always identical with the state's interests. In addition, the interests of the people are not totally the same from one class to another, from one social stratum to another, and from one individual to another. If we do not have such a clear understanding, we will not be able to carry out Uncle Ho's slogan, "Unity, great unity." Also we will not be able to stimulate every potential, every intellect, and every productive force. Even the state, in my opinion, cannot say, "Consider the people the roots." To say so indicates that the state keeps itself apart from the people or stands above the people. The reason is our administration is that of the people, by the people, and for the people. To be accurate we must say the people, not the party, rule. The party leads, the people rule—that is the most correct way to put it. Our current Constitution says: All power belongs to the people.

### Democracy Is Strength

For all three subjects (the party, the state, and the VFF) democracy—real democracy, not democracy as a form—is strength.

The party must practice democracy first, a democracy within its ranks which shines its light outwardly.

The state must be democratic, although it can use orders, which themselves must be democratic, all the way from the time orders are prepared and promulgated to the time their implementation is reviewed to allow improvement and supplementation. The same applies to the issuance of laws.

The VFF must be even more democratic because it does not have the authority of the party and state. But if it correctly practices democracy and struggles for the application of democracy, it will influence the party and state. The fact that the VFF practices democracy within its ranks will spread its effects in society as a whole.

Democracy is used to exploit all forces and all talents for the sake of national construction and to fight all acts of despotism and authoritarianism. Democracy is used to fight monopoly (including monopoly of thinking and monopoly of holding responsibilities).

Democracy is both the motivation and the objective in terms of promoting social and human development.

### Too Much Lack of Democracy and Anarchy

Let me now briefly mention the recent state of democracy in our country. In the spirit of speaking frankly and truthfully let me say that there is too much lack of democracy and at the same time there is too much anarchy. Recently there appeared the phenomenon of practicing democracy only as a form, as a facade, but the real situation still was issuing orders, being authoritarian, and disregarding democracy.

Let me cite a few examples taken from everyday life today:

1. The people do not as yet have the right to select in a democratic way their representatives in the elected organs (the National Assembly and the people's councils at all levels). Elections are very expensive and yet they are far from really being "the people's festival." There are rather meticulous maneuvers to impose on the people the persons who do not enjoy their confidence.

2. The elected organs do not have real power (because the party organs take care of too many things and excessively interfere in the state's affairs).

3. The people find themselves without any power. On the contrary, the people's rights are extensively and more and more seriously violated.

The people's right of control is not respected. Coverup remains a common phenomenon, while there still are many victims of unjust acts.

4. But on the other hand, laws are not respected and the state's rule is not maintained, and anarchy as a phenomenon is quite serious.

5. The VFF voice is not properly respected yet. Lately there has been some progress, but it is not enough.

### Some Suggestions

The 6th Party Congress and the subsequent resolutions adopted by the CPV Central Committee have opened up correct directions. But we cannot stop at the principles.

1. I propose that the CPV Central Committee and the state issue a joint resolution to clearly define the separate functions of the party and the state. Begin with the central organs. On the basis of this model different localities will carry it on later.

Following this congress, I propose that the Political Bureau issue a resolution on the VFF work in order to have a unified concept of the role and work of the VFF.

2. To avoid the situation in which our organs take care of too many things and do the same work I propose that the CPV Central Committee and the state review this situation among the organs of the CPV Central Committee,

National Assembly, and Council of Ministers and abolish those organs that do duplicated work. There are some benefits we can gain from this:

—To gather capable cadres in a few necessary organs (to put them in the right organs will be decided by the party and state after careful consideration).

—In the case of success or failure, to know exactly which organ should bear the main responsibility; to build a system in which the power to make decisions is accompanied by a system of responsibility. Power should not be separated from responsibility.

—To reduce the staff and to decrease the size of the budget.

3. To improve the laws. As an immediate step to take, to revise and supplement the laws on election of people's council members and on organization of people's councils and people's committees (to be ready for the elections in April 1989).

In these laws, the role of the VFF needs to be changed in accordance with the new concept. The right to run for election and the right to vote must be changed in accordance with a real democratic spirit, and the elected organs must have real power.

In addition to these laws and others that our National Assembly will issue in the new situation, we must study the creation of a committee to be in charge of revising the 1980 Constitution.

### Organizations Hold Grass-Roots Party Congresses

BK0501152189 [Editorial Report] On 29 December 1988 and 3 January 1989, Hanoi Domestic Service in Vietnamese carried reports on party congresses held by various party organizations at the grass-roots or lower level.

In its VPA program at 1400 GMT on 29 December, the radio presented a 7-minute report on party congresses at the grass-roots or lower level that had been held in the Army. The report says: "As of early December, some 26 party organizations at under-basic level and 52 party chapters directly subordinate to the party organization of the politico-military officers school had held their congresses." Thoroughly understanding the sixth national party congress' viewpoint on renovation and with a spirit of frankly telling the truth, "these congresses concentrated on evaluating the actual situation of each unit and the quality of its party members."

Next, the report discloses that "by mid-November, all the 24 basic and sectional party organizations and 1 party chapter belonging to the Quang Ninh provincial military command, together with 12 district and city military party organizations, had completed the holding

of congresses with good results." According to the report, "prior to the convening of these congresses, the provincial military party committee strengthened and rearranged the number of cadres and examined the complaints lodged by the masses. It also pointed out the number of cadres, party members, and party organizations known to have violated discipline." Commenting on the congress held by unit H-97 in the 2d military region, the report says "this congress was not only pervaded with an atmosphere of democracy, openness, boldness, ease, and flexibility, but also reflected the constructive spirit and party character of the delegates."

In its 1100 GMT cast on 3 January, the radio carries a 2-minute report, saying that "the congress held by the party organization of Chi Lang district in Lang Son Province contributed many realistic views to formulating orientations for developing grain and food production, as well as for stepping up socioeconomic and national defense activities." According to the report, "the congress carefully analyzed what has and has not been done and affirmed the appreciable changes effected by the district during the past 2 years." Also carried in this cast is a 1.5-minute report on the congress held recently by the party organization of Xuan Thuy District of Ha Nam Ninh Province. The report says: "The congress scrupulously pointed out weaknesses and shortcomings in directing the application of advanced science and technology, determining a structure for export goods, and guiding socioeconomic development. It also stressed the need to invest capital and manpower in the construction of water conservancy projects."

In a cast at 1430 GMT on 3 January, the radio presents a 1.5-minute report on the congress held by the party organization of Bac Giang City in Ha Bac Province. The report says "the congress concentrated on evaluating the development of industry, small industry, and handicrafts; the activities of individual and family economies; the settlement of the problem of employment; and results and limits in agricultural production." According to the report, all speeches delivered at the congress had clearly pointed out weaknesses in party building work and economic development leadership.

#### **Vo Van Kiet Addresses First Assault Youth Conference**

*BK0901100589 Hanoi Domestic Service in Vietnamese  
1100 GMT 7 Jan 89*

[Text] Recently in Ho Chi Minh City, the Council of Ministers and the Ho Chi Minh Communist Youth Union [HCYU] Central Committee jointly held the First National Assault Youth Conference. Comrade Vo Van Kiet attended and cordially addressed the conference.

Over the past years, assault youth have excavated and embanked 7 million cubic meters of dirt or rock, opened up 40,000 hectares of ricefields, and built nearly 2 million square meters of housing to help settle 41,000 people. They have also built 46 new economic villages.

However, operating in vast areas under the old mechanism with diversified and unstable duties and lacking specific procedures and policies and responsibility and interests, their production results have not been precisely calculated and their activities are still affected by a movement character [tinhs phong trao].

Because all assault youth units are still compelled to be always on the move and still have not been assigned definitely to any economic task, favorable conditions have not been created for them to invest in production and their economic activities have to rely totally on the subsidy-based system. This has caused them to encounter great difficulties in their daily life and work, and has led to disbanding a number of assault units in Phu Khanh, Tay Ninh, and Dong Thap Provinces and Vung Tau-Con Dao special zone.

Addressing the conference, Comrade Vo Van Kiet extended his cordial greetings to the assault youth delegates from all parts of the country and, through them, sent his kind regards to all members of the assault youth force.

With the affection of an elder brother in the assault youth force, Comrade Vo Van Kiet commended the assault youth for their positive contributions they have made in all economic and social domains. He said:

The assault youth do not necessarily belong to the state-operated economic components. They, however, can be part of the collective economy, and that it is necessary for them to promote healthy competition in the national economy.

Comrade Vo Van Kiet also clarified the policy encouraging the development of the five economic components at present and affirmed that this is a stable and long-term state policy.

#### **Relatives of Air Crash Victims Receive Compensation**

*BK1701055989 Hanoi Domestic Service in Vietnamese  
0500 GMT 15 Jan 89*

[Text] The Vietnam General Civil Aviation Department has recently paid compensation to relatives of passengers who were victims of a plane crash in Thailand on 9 September 1988. According to international conventions and our national customs, although a conclusion has not yet been reached by the Thai National Investigating Committee on the cause of the crash, the Vietnam General Civil Aviation Department settled in Vietnamese currency its liability for the baggage of the victims at the rate of 60,000 dong or \$20 per kg based on the newly set rate of exchange.



The Vietnam General Civil Aviation Department also paid the victims' relatives from 800,000 to 1.2 million dong each in compensation for the loss of personal jewelry, with the amounts of settlement varying in accordance with the value of the jewelry brought along by the victims.

In particular, compensation for the loss of life has not yet been settled because our country and the foreign country that underwrote the insurance have yet to reach an agreement on the rate of settlement.

## MILITARY

**Joint Cooperation on Produce Exports**  
42090063d Hanoi NHAN DAN in Vietnamese  
7 Nov 88 p 3

[Article by Thinh Giang: "On the 10th Anniversary of Vietnamese-Soviet Treaty of Cooperation and Friendship—Making Cooperation on Vegetable and Fruit Exports More Efficient"]

[Text] Initial Results—For many years, our vegetable and fruit exports to the Soviet Union have won consumer acceptance, mostly fresh fruits—oranges, pine apples, bananas, mangoes, and papayas. In response to ever-increasing demand, in recent years the outflow has rapidly increased in quantity, value and diversity. In addition to fresh fruits, exports of winter produce from the northern provinces, including cabbages, kohlrabis, carrots, onions, and garlic have also sprouted.

Creating conditions for expansion, on 20 January 1985 the Vietnamese and Soviet governments signed a cooperation agreement on vegetable and fruit production and processing for the 1986-90 period. According to the document, the USSR will grant us a 240-million-ruble loan—90 million for building and upgrading 18 factories, warehouses and other projects and 150 million worth of goods (fuel, sacks and fertilizer) to develop production and processing of vegetables and fruits for export. In return, Vietnam will guarantee shipment of 930,000 tons of vegetables and fruits valued at 325 million rubles.

Initial results of the Vietnamese-Soviet friendly cooperation program show that, due to a stable and volume market and to favorable conditions going from production and processing to delivery and receiving, produce exports have gained ground, shooting up from only 4.7 million rubles in 1980 to 23 million in 1984, 30 million in 1985, 31.2 million in 1986, and 34 million in 1987. In the first 9 months of the year, the Vietnamese Vegetable and Fruit General Corporation has delivered 30 million rubles worth of legumes to the Soviet Union, striving to exceed 38 million by year's end.

The quality of exports, especially fresh produce, has made notable headway. In past years, shipping losses have remained under permissible limits. Recently, Vegetable and Fruit Corporation No 1 got payment for up to 92.3 percent of its shipment of fresh produce originating from the northern provinces—12 percent over contract norms. Lowest losses were recorded on some items—just 4.1 percent for potatoes and 3.2 percent for onions, compared with an allowed 8 percent for both legumes. Increased produce quality, fast unloading, loading and delivery pace, and reduced waiting time for receiving ships at ports have added a gain of 800,000 rubles.

The Vietnamese-Soviet cooperation program on vegetable and fruit exports has initially contributed to expanding production of exportable winter crops in the northern provinces. Le Ngoc Sau, Vegetable and Fruit General Corporation director, estimates that on a same acreage, vegetable winter crop production for export is no less rentable than two main ricecrops. Furthermore, supplies and goods obtained in exchange for exports will contribute to improving production and laborer living standards.

### Snags Crying Out for Prompt Removal

A look at vegetable and fruit exports to the Soviet Union in recent years (1985: 78,848 tons; 1986: 102,639 tons; and 1987: over 104,000 tons) indicates remarkable progress, partly meeting consumer demands, especially fresh produce for people living in the Soviet Union's Far Eastern region. We are capable of shipping out more to satisfy our friends' evergrowing and diverse need. However, to do so snags inherent in the implementation of the cooperation agreement on produce exports should be promptly removed.

First of all, Soviet investment was still used irrationally, slow in generating efficiency. The allocation of 90 million rubles to building and upgrading produce processing and production installations in 18 projects scattered nationwide without taking local conditions into account, has led to a shortage of capital in Vietnam. The need for 60-90 billion dong has not been met; some projects were judged inappropriate, requiring relocations, postponements, and delays in being built and put into commission. Only by 1990 will the Tan Thuan Dong refrigerating storehouse (in Ho Chi Minh City) likely be operational. Mobile capital in the form of goods to develop production is still low (just 0.45 ruble per 1 ruble worth of export), hindering the application of science and technology to raise the quality and volume of vegetable and fruit exports.

According to the agreement, Soviet-bound legumes are delivered at Vietnamese ports, but only 80 percent of each shipment is paid for, leaving the balance unpaid until after the merchandise is unloaded in the Soviet Union, causing long immobilization of capital. The exporting of fresh produce requires strict compliance



with harvesting time and delivery pace; but since specialized Soviet ships sometimes arrived in our ports behind schedule, storage time was extended with bad effects on produce quality.

Although exports have steadily increased, production was still scattered to many localities. Material facilities—cold storage, shipping means and sacks—were in short supply, making it difficult to concentrate commodities in ports for collection and increasing circulation costs and wastes because poorly stored legumes with resulting deteriorating quality could not be exported.

A rather great amount of vegetables and fruits still remains to be exported to the Soviet Union from now to 1990. To carry out the plan and raise efficiency, the general corporation has established specialized production zones in places endowed with production experience, convenient lines of communication, and high product exportability. These specialized farming zones were singled out for massive introduction of fertilizer, science and technology, and new varieties to steady increase output.

The general corporation has taken steps to add new commodities, develop intensively those already making the top exporting list for gradual transformation into main exports with great market value and diversify processed products to meet consumer demands.

Renovating its business formula—linking production to circulation, reducing intermediaries by degrees, and expanding the autonomous role of business corporations—Vegetable and Fruit Export Corporation No 1 has signed production and sale contracts directly with cooperatives. During this winter productive season, the corporation sent an advance supply of 2,000 tons of urea fertilizer to production installations, announced fixed criteria on exchanging supplies for exportable products and provided installations with varieties and production technique. The general corporation has reorganized its structure, placing truck, delivery and receiving, and warehouse management units in operation at ports under control of its business and export units to create a close relationship between production and transportation and delivery of commodities for export.

In past years, the implementation of the Vietnamese-Soviet friendly cooperation program on vegetable and fruit export has shown great possibilities. If both sides agree to consider and promptly remove snags surging down the road, that field of exports will move forward at a faster and steadier clip on the basis of cooperation, friendship and effectiveness.

## ECONOMIC

**Industrial Reconstruction, Foreign Aid Prospects**  
46200002 Frankfurt/Main FRANKFURTER  
ALLGEMEINE in German 12 Dec 88 p 14

[Article by Erhard Haubold: "Vietnam—Dirt Poor, but With a High Level of Education"]

[Text] Hanoi—The capital of Vietnam has recently had various visitors from Europe. Thus, Undersecretary Schaefer, Bonn's highest-ranking representative so far, has visited the communist country. EC Commissioner Cheysson traveled there. Sweden's Foreign Minister Andersson visited Hanoi. Egon Bahr was also there, as a member of the Socialist International. Bahr spoke for many hours with Foreign Minister Thach and gave a much-noted talk to members of the Central Committee. The Vietnamese are interested in how Germans in East and West succeed in understanding each other "outside the system" of existing relations between the major powers. Hanoi wants to "diversify" its foreign and economic policy, become more independent of the Soviet Union and end its enmity with China. Europe is important to Hanoi, if only so that Japan, this "nastier shadow of China" should not become too strong one day.

This is the day for which the Vietnamese, as well as Asian and Western businessmen, are waiting. Vietnam has begun to withdraw its troops from Cambodia. If it keeps its promise, the Western economic blockade could be lifted and ambassadors finally exchanged even with the United States—the precondition for credits from the World Bank and the International Monetary Fund (IMF).

Among the foreigners who land in Hanoi and Phnom Penh, the Japanese predominate. They have long since had "plans" ready. But the FRG is not in a bad position either. Ambassador Broudre-Groeger in Hanoi, active and greatly appreciated by his hosts, has one or two German businessmen call on him each day. At the beginning of the new year the East Asia Association (Hamburg) will open an office in the Vietnamese capital. Nineteen companies share the financing of it.

Naturally, one must warn against great hopes for the near future. In economics the Vietnamese are not the big heroes they were in the war against Americans, French, and Chinese. On the contrary; they are a very ordinary, poor developing country, although with an intelligent population, industrious as bees, which is deprived of success because of outdated means of production and clumsy socialist economic leadership.

Vietnam must bring its national budget in order, reduce subsidies (about one-third of the budget) and fulfill a few other conditions for the IMF, whose experts have just paid a visit to Hanoi. To be recommended are not major projects; the Soviets and Sweden know this from bitter experience with the Vietnamese, who do not think much of foreign authority and, inherent in the system, often are not on the job because they must earn additional money with a second or third job. Rather, one should

think of using existing resources, of rehabilitating many small enterprises, which usually do not utilize even half of their capacity, of power plants, textile, glass, paper, and match factories. Small, "adapted," projects would be preferable. Of interest to Western investors are petroleum development (offshore) and tourist traffic, in Cambodia as well. At the 600 foreign delegations there has been a turning point represented by the sixth Party Congress at the end of 1986 in Vietnam.

In the north, the psychology of wartime economy and the attitude of taking (from China and the Soviet Union) is only gradually being overcome. After nearly 40 years of socialist, no one remembers what readiness to produce and competition mean any more. Unless soothed by a carton of American cigarettes, the driver made available to us by the state complains all day long. There are no taxis. And for everything, even to interview a minister, a little money has to be left behind in an envelope.

For that reason, many a foreigner may say to heck with Hanoi's architectural nostalgia and take up a position in the south, in old Saigon, where market economy has not yet been forgotten. "Schumpeter was here," says the economic adviser to the government and a delegate to the national congress, Nguyen Xuan Oanh, a Harvard graduate, who has designed the new investment regulations. In the south it would be possible to do nearly everything; Saigon is an economic "pilot city" with capable businessmen, often of Chinese descent, and increasingly more money from "Viet Khieu," from Vietnamese residing abroad, who fled after 1975 and are now founding private enterprises in the old homeland with the help of aunts and uncles.

But in the south as well there are many bottlenecks. Telephone and telex to Hanoi function only sporadically. Banks and hotels take only U.S. dollars in cash, but not travelers' checks, credit cards or other currencies. Vietnamese families may not rent to foreigners. A foreign engineer is said to pay the authorities 6,000 dollars in monthly rent for a house located far outside Saigon. A former Vietcong leader regards inflation and the army of "cadres," functionaries and officials, about 16 million people, nearly one-third of the population as being some of Vietnam's "socialist records." These are major obstacles, but the interest in Western goods, in "capitalism," has never been greater in Vietnam.

#### Facts on Joint Cooperation

42090084A Hanoi KINH TE DOI NGOAI  
[EXTERNAL ECONOMICS] in Vietnamese  
25 Oct 88 p 1

[Article: "Some Data Regarding Vietnamese-Soviet Cooperation"]

#### [Text] Commerce

During the 1986-1990 period it is estimated that the index of two-way trade between the two countries will be double that of the 1981-1985 period.

The structure of Vietnam's exports to the Soviet Union is as follows: minerals and heavy industry items, 3.4 percent; agricultural and forestry products and processed agricultural products, 50.7 percent; and light industry items and artistic handicrafts, 45.9 percent. In the light industry group, goods produced under contract account for 16 percent. The products include crude oil, tin, rubber, coffee, tea, shelled peanuts, soybeans, coconut oil, salt, cigarette tobacco, wool rugs, ready-to-wear clothing, knitted items, cotton towels, athletic shoes, Gold Star ointment, rattan and bamboo items, and rush items.

The structure of imports from the Soviet Union is as follows: machinery, equipment, and spare parts, 11.8 percent; raw materials, fuel, and materials, 87.2 percent; and consumer goods (not including grain), 1 percent. The principal products (other than petroleum products) include fertilizer (100 percent of the nitrogenous fertilizer), steel, cast iron, cotton fiber, cardboard, all kinds of wood (logs, lumber, and plywood), insecticides, explosives, caustic soda, calcinated soda, modern pharmaceuticals, trucks, etc.

#### Cooperation

In addition to helping Vietnam build, restore, or improve 300 installations of the key economic sectors, in the various spheres Vietnamese-Soviet cooperation has developed steadily, both in breadth and depth.

In the communications-space sphere, in 1979, when Vietnam became the 10th member of the Intecosmos program, Vietnam and the Soviet Union participated in a joint space flight in the "Soyuz 37" space craft. In addition, the Soviet Union helped Vietnam build two satellite-earth communication stations: the "Lotus" station in Hanoi and a station in the Ho Chi Minh City.

With regard to cadre training, during the past 25 years 12,700 Vietnamese students have graduated from universities in the Soviet Union. Including vocational students, the total is nearly 20,000. The Soviet Union has trained for Vietnam 3,000 PhD's, MA's, and on-the-job trainees. At present, more than 200 universities, scientific research institutes, mid-level schools, and vocational schools in the Soviet Union are training Vietnamese citizens.

With regard to agriculture, Vietnam and the Soviet Union have organized two cross-breeding centers, in Hanoi and Ho Chi Minh City, to experiment with and develop a gene pool of plants, cross-breed grain, vegetable, and industrial crop varieties, and supply animal feed. During the 1984-1985 2-year period those two centers experimented with more than 20,000 collected

specimens from the gene pool of the N.I. Vavilov All-Union Botany Institute, as well as more than 2,000 varieties of 63 industrial crops. Dozens of varieties proved to have good adaptability, high yields, and resistance to insects and diseases, and are not being cross-bred.

Vietnam and the Soviet Union have cooperated with the CEMA countries in preparing complete methods for protecting rice fields, experimented with nearly 1,500 varieties of corn, and cross-bred rubber varieties, which are being grown in plant nurseries in the Mekong Delta.

Mulberry varieties imported into Vietnam from the Soviet Union have produced yields four to five times greater than the old varieties. A white-cocoon hybrid silkworm variety from the Tashkent area that was introduced into Lam Dong Province is proving to be highly effective.

#### **Interview With Energy Minister on Soviet Assistance**

42090078 Hanoi LAO DONG in Vietnamese  
10 Nov 88 p 4

[Interview with Minister of Energy Vu Ngoc Hai; date and place not specified]

[Text] [Editor's Note] On the occasion of the 10th anniversary of the signing of the Vietnamese-Soviet Treaty of Friendship and Cooperation, a LAO DONG reporter interviewed Vu Ngoc Hai, CPV Central Committee member and minister of energy, on the results of Vietnamese-Soviet cooperation in the field of energy. Below are questions and answers.

[Reporter] In the past 10 years, since the signing of the Vietnamese-Soviet Treaty of Friendship and Cooperation, bilateral cooperation in the field of energy has shown encouraging results. Comrade Minister, please describe the cooperation between the two countries in this field prior to that date?

[Minister] It can be affirmed with certainty that all stages in the 30-year history of the development of our energy sector are closely linked to the Soviet Union's great and effective assistance.

Marking the signing of the agreement on Soviet economic and technical assistance to Vietnam on 18 July 1955 in Moscow and the friendship visit of a Vietnamese party and government delegation led by Chairman Ho Chi Minh, teams of Soviet specialists together with our technical cadres and workers went to Quang Ninh and Lao Cai to conduct geological surveys and make plans for rehabilitating and expanding coal mines in Ha Tu, Deo Nai, and Coc 6. The Vinh thermoelectric power station was built to serve economic development in the Vinh-Nghe Tinh region. A similar plant was erected in Lao Cai to cater to an apatite mine. Later came the

construction of the Uong Bi thermoelectric power station (Stage I: 48 megawatts) to supply energy to the coal sector and economic areas in the Bac Bo delta. These Soviet-aided electric sources and hookups were a precursor to our electric network in the north.

While we were fighting the war of sabotage of U.S. pirates, Soviet assistance had unceasingly increased to maintain and restore energy installations to the benefit of economic and defense development. During these hard times, however, new, larger, and higher-quality energy projects had been built, such as the Thac Ba hydroelectric power station (capacity: 108 megawatts); the Uong Bi power plant was enlarged through Stage II and Stage III, boosting its capacity to 105 megawatts; new construction work was started at Vang Danh, Mong Duong, and Cao Son coal mines; open-air mines were upgraded and expanded, etc.

Material installations provided by Soviet aid were a very valuable initial capital, enabling our energy sector to grow in size and quality. oB = [Reporter] Please give us a general look at the basic trends of Vietnamese-Soviet cooperation on energy in the past decade?

[Minister] In the first place, I would like to emphasize that, along with great and comprehensive Soviet assistance, cooperation ties between our Ministry of Energy and the Soviet Union's Ministry of Energy and Electrification, the Ministry of Coal Industry, and the Ministry of Electric Technology have developed without interruption. Especially, following the signing of the Treaty of Friendship and Cooperation, sector-to-sector cooperation has taken a new step ahead, both quantitatively and qualitatively.

The collective of Soviet scientists and specialists, along with our specialists, have drawn up general charts for developing the energy sector for Stage I (1981-85), then for Stage II (1986-90), complete with tentative planning for the period up to 1995. At present, a general chart for Stage III (1991-95) is being put together, with tentative planning for the period up to 2005.

The Soviet Union has also helped us write a complete "Economic and Technical Draft on Developing Vietnam's Coal Industry." Currently, together with Vietnam, it is drawing up a general chart for inclusive development of the coal sector for the 1991-95 period, with tentative planning up to the year 2005.

The 1991-95 chart calls for huge construction work. The Soviet Union has assisted us in building seven open-air mines, four shaft mines, three mechanical mining factories, and various infrastructural installations to fully develop the coal sector. At present, these projects account for over 85 percent of annual coal extraction. The hydroelectric power station on the Da River with 1.92 million kilowatts is Southeast Asia's biggest. Both



the Pha Lai thermoelectric plant and the Tri An hydroelectric plant boast a 440,000-kilowatt capacity. Upon completion, these three plants alone will generate about 12 billion kilowatts, nearly doubling the current level.

The Soviet Union has supplied us with large quantities of equipment and provisions, as specified by the general chart for Stage II (a 5-fold increase over Stage I), to help us install, during the 1986-90 period, a 110-120 kilovolt network with 3,000 kilometers of lines and transformers totalling 3,000 megawatt-amperes so that the entire output of these three plants can be used up. The above electric sources and hookups have contributed to raising annual output of electric power. In 1985, Soviet-aided power plants furnished only less than 50 percent of the nation's electricity; by 1990, they will account for 70 percent.

In May 1987, the Vietnamese and Soviet governments signed an agreement on joint production at Vietnamese factories of supplies and equipment with a voltage not exceeding 35 kilovolts.

In October 1987, another agreement on Soviet assistance for comprehensive development of the Vietnamese coal industry for the 1988-90 period was signed. Once again, the notion of comprehensive cooperation was thoroughly understood and put to work.

[Reporter] Please tell us whether there has been cooperation in scientific and technical research into energy?

[Minister] Yes, there has been. In recent years, that cooperation has been marked by the study of thunder. Within that framework, the Soviet side has studied, manufactured, and sent to Vietnam original research equipment and documents guiding the study of thunder. With Soviet assistance, Vietnam has built a station to study thunder at Gia Sang. The probe has yielded initial results. The question now is to set up a joint Vietnamese-Soviet research laboratory to find measures to protect projects from thunder. Other subjects are also under scrutiny, such as oB - investigating ways to mine thick and slant coal seams and to mechanize shaft mining and delving into the mechano-chemical characteristics and combustibility of anthracite.

[Reporter] Please give us more details about the structure of cooperation. Were there any notable changes to that structure? And what direction will it take in the years to come?

[Minister] Guided by renovated thinking, the collaboration between the two countries is going deeper to fit in with demands of a new era.

To create conditions for more cooperation, during 1987 and the first days of 1988, our government and that of the Soviet Union signed major documents on principles, including a covenant laying the groundwork for direct relationships between the Vietnamese energy sector and

ministerial organizations and their Soviet counterparts. In line with that covenant, our energy sector has established direct links between the Cam Pha Coal Corporation and the Union of Coal Mining Enterprises Kemerovugol and between the Uong Bi Coal Corporation and the Union of Coal Production Procopieskul.

In the coming years, Vietnamese-Soviet cooperation in the field of energy will evolve along the following lines:

—Review our cooperation with the Soviet Union in recent years, especially in the past decade, to identify what was accomplished and what was not, so as to make cooperation more efficient. A practical goal is to do everything to achieve by 1990 8-9 billion kilowatts/hours and over 8 million tons of coal.

—Put the last hand to the general chart for developing the coal and electric sectors for the 1991-95 period, with tentative planning until the year 2005. That chart will mention main goals, tasks, and measures in devising 5-year plans and in realizing huge projects, including the Son La hydroelectric power station with a 3-million-kilowatt capacity and the north-south super high-tension line, which will be built in the 1990s and 2000s.

—Another important cooperation goal is to bend over backward to expand the specialized mechanical subsector within the energy sector to match the latter's growth, making it possible to supply provisions and equipment to construction and production activities of both the coal and electric sectors, thus limiting imports. This is an essential requirement that should be met.

—In the time to come, both sides will develop new forms of cooperation, such as joint direct production, cooperation in contract production through advance supply of provisions, and lateral cooperation between sectors, production units, and ministerial organizations.

—To make cooperation more efficient, in the time to come the Soviet Union will help Vietnam train managerial cadres and skilled workers and retrain its engineers with a focus on all aspects of the production line technique. There will also be sector-to-sector exchanges of information on economic management and science and technology and of managerial and scientific cadres.

The above cooperation goals illustrate a combination between scientific and technical assistance and modern managerial experience of the Soviet Union and Vietnam's full utilization and development of its potential in human and natural resources—a combination apt to create new strengths to stimulate production growth.

#### **SRV, France Establish Container Shipping Joint Venture**

BK0501113889 Hanoi Domestic Service in Vietnamese  
0500 GMT 31 Dec 89

[Text] The Vietnam Marine Shipping General Department is cooperating with a French maritime company in running a container shipping service between Ho Chi



Minh City and Singapore. In order to keep abreast of advances in shipping, it is necessary to establish regular links with other major container lines in the world.

The two sides have set up a joint venture and its shipping agent in Ho Chi Minh City is called Agent for the Joint Venture in Marine Shipping between the Marine Shipping General Department and the French CGM. The commercial name of the Agent is (Gematral) Ho Chi Minh City. The joint venture has bought and put into use a special container ship that operates on the Ho Chi Minh City-Singapore route. The ship, with a capacity of 160 containers, was built in Denmark in 1987. It is equipped with 50-ton cranes and with a totally mechanized system especially designed to handle containers. The ship will make its first journey to Ho Chi Minh City on 8 January and will leave the city on 11 January. Thereafter it will operate on a regular schedule of one trip every 10 days.

#### **Government Allows Foreign Economic Representation**

BK0901102489 Hanoi VNA in English  
0714 GMT 9 Jan 89

[Text] Hanoi VNA 9 January—The Vietnamese Government has promulgated an ordinance allowing foreign economic organizations and individuals who have relations with Vietnamese economic and commercial organizations to open permanent representations in Vietnam.

The Ministry of External Economic Relations is authorized to issue permits.

Foreign representations may lease offices, houses, and other facilities and hire local workers in conformity with Vietnamese law. They may also open accounts of their assets in Vietnamese dong or in convertible foreign currencies at the Vietnam Foreign Trade Bank or foreign bank offices in Vietnam.

#### **Ministry Notes 1988 Achievements in Afforestation, Timber Exports**

BK0601095989 Hanoi Domestic Service in Vietnamese  
1100 GMT 29 Dec 88

[Text] From 27 to 29 December, the Ministry of Forestry held a conference to review its work in 1988 and to discuss measures for implementation of the 1989 state plan.

The conference unanimously noted that in 1988, despite numerous difficulties, the forestry sector exerted great efforts in surging forward to resolve problems and expand the basic units' right to autonomy in production and business aimed at effectively exploiting over 19 million hectares of forests and forest land throughout the country. The sector has carried out afforestation on nearly 130,000 hectares, planted more than 400 million

trees in various areas, exploited over 3 million cubic meters of timber, and fulfilled more than 110 percent of the processed timber export plan.

Comrade Vo Van Kiet, vice chairman of the Council of Ministers, attended and addressed the conference. After speaking highly of the achievements recorded by the forestry sector in 1988, Comrade Vo Van Kiet urged the forestry sector to bring into play the experiences it has accumulated, effectively rally all economic components and sources of capital for the development of forestry, surmount all restrictions in the allocation of land and forests in the past, and pay attention to the settlement of the people of various ethnic minority groups. He also pointed out that in the immediate future, it is necessary for the sector to solve at all costs the problem of grain and food and other essential consumer goods for the people of various ethnic minority groups by carrying out production on the spot or by exchanging these commodities for their products.

#### **Do Muoi Greet First Issue of New Economic Weekly**

BK0601084489 Hanoi VNA in English  
0720 GMT 6 Jan 89

[Text] Hanoi VNA 6 January—A new weekly named "SANG TAO" (CREATIVENESS) has been released to the public here with its first issue published today.

The publication serves as a mouthpiece of the Central Council of Cooperatives and other non-governmental industrial enterprises.

In a letter to the weekly on this occasion, Chairman of the Council of Ministers Do Muoi extended his best wishes to the paper for its unceasing progress in serving the development of industrial and handicraft enterprises and the services concerned.

#### **Status of New Economic Zone Settlers From Tay Ninh Province**

BK0501132389 Hanoi Domestic Service in Vietnamese  
1430 GMT 2 Jan 89

[Text] Since 1981, Tay Ninh Province has succeeded in motivating 52,700 people, including 24,400 laborers, to build new economic zones. These new economic zone settlers have reclaimed and put into production 123 hectares of wasteland, built over 14 km of roads, dug over 2.4 km of irrigation canals, used 48,000 cubic meters of earth to build various water conservancy projects, and built some public health stations on a total of 100 square meters.

The spiritual life of these economic zone settlers, however, still encounters numerous difficulties. Only 10 percent of them have a relatively good life; 60 percent have earnings barely sufficient for subsistence, and 30 percent still encounter difficulties.

Facts show that in order to make sure that new economic zone settlers can quickly stabilize their lives, step up production, and achieve high results in production, it is necessary to ensure appropriate attention and close cooperation between the various echelons and sectors. New economic zones must rely on the socioeconomic programs of the localities concerned and must have enough capital and a contingent of cadres capable of providing leadership for production. On the other hand, it is necessary to pay attention to developing the commodity-based economic sector, especially family economies.

#### **Status of Phu Khanh Province New Economic Zones**

BK0601100589 Hanoi Domestic Service in Vietnamese  
1430 GMT 5 Jan 89

[Text] In the past 8 years Phu Khanh Province has sent 33,800 people, including 15,800 laborers, to new economic zones; and established two towns named Song Hinh and Khanh Son and seven points for concentrated new economic development. After settling down in the new economic zones, the people reclaimed waste land and subsequently put 17,500 hectares under cultivation. They also built a 347-kilometer communications network, two bridges, three reservoirs, and many other public utility projects.

Nonetheless, there are still many difficulties. Only 10 percent of all households are leading a fairly comfortable life, 50 percent have enough to make ends meet, and the remaining 40 percent are experiencing difficulties. Most of the households that lead a fairly comfortable life or have enough to make ends meet draw their incomes from the orchard economy. The households that suffer from food shortages have received equal land allotment quotas but do not have enough capital and manpower.

Phu Khanh has an earnest desire for an early promulgation of comprehensive, appropriate policies and systems, as well as clearly-defined procedures governing the distribution of capital and materials for the new economic zone. The province also would like to suggest that the central echelon devise a compact, independent mechanism to directly and uniformly oversee everything from the central organs down to the provinces, districts, villages, wards, cooperatives, and new economic development points.

#### **Status of New Economic Zone Settlers From Ha Son Binh**

BK0501142389 Hanoi Domestic Service in Vietnamese  
1430 GMT 3 Jan 89

[Text] Over the past 10 years, Ha Son Binh Province has succeeded in motivating 13,600 families including 63,800 people and 31,600 laborers to build various new economic zones with 9,200 families—totaling 42,800 people and 21,000 laborers—having been sent out of the province.

After arriving in their new economic zones, these people organized 15 independent cooperatives, including two cooperatives with 200 families each: the An Huong cooperative in An Binh Village, Lac Thuy District; and the Kim Duc cooperative in Vinh Tien Village, Kim Boi District.

The province's efforts to motivate its laborers have, however, still been limited. Its motivation drive has still been heavily characterized as a fad; its policy to serve production, impractical; its organizational mechanism, fragmentary; and, its managerial skills, weak. In propaganda, it has emphasized only breadth while ignoring depth.

It is hoped by Ha Son Binh that the state will have an organizational apparatus which is strong enough to handle this task and which should be closely organized from the center down to the grass-roots level. The center must revise its policies to suit the current stage, especially the policy on the use of the new economic zone-related funds.

#### **Update on Agricultural Production Activities**

BK0501101989 Hanoi Domestic Service in Vietnamese  
1100 GMT 30 Dec 88

[Text] According to a report released by the Statistics General Department at a staff turnover ceremony at the Ministry of Agriculture this afternoon, as of 25 December the country as a whole had planted subsidiary food crops on over 324,000 hectares, a 4.2 percent increase over last year's winter sowing season. Northern provinces planted over 293,000 hectares and southern provinces 30,000 hectares. Also in this winter sowing season, the country has planted vegetables and legumes on nearly 69,000 hectares and industrial crops on approximately 26,000 hectares.

Also as of 25 December, provinces in the South had harvested 10th-month rice on over 500,000 hectares, or one-third of the sown acreage, with the Mekong River Delta harvesting nearly 192,000 hectares. Provinces with a fast harvesting pace are Hau Giang, Tien Giang, Cuu Long, and Long An, where the harvested area has reached 60-90 percent of the total sown acreage.

Along with harvesting 10th-month rice in the South, the country is now concentrating on the winter-spring crop production. Also as of 25 December, northern provinces had sown rice seeds on over 103,000 hectares, while southern provinces had transplanted rice on 550,000 hectares—with provinces in the Mekong River Delta transplanting 467,000 hectares, an increase of 17.4 percent over the same period last year.

However, in a number of northern provinces, drought has begun. In Thanh Hoa Province, some 7,000 hectares of land have been left uncultivated because of the water

shortage. Nghe Tinh, Ha Nam Ninh, Ha Son Binh, and Hai Hung Provinces have suffered the same situation, although the area suffering from water shortage has been smaller.

According to a report from the Ministry of Water Conservancy, this year various reservoirs can only ensure 65 percent of their water-holding capacities. Localities should make full use of electricity to get water supplies for agriculture. Within the next 1 or 2 days, localities must concentrate on a drive to transplant winter-spring rice with a determination to have 500,000 hectares of land completely transplanted before the Lunar New Year TET.

The Ministry of Agriculture advises that localities now have about 70,000 hectares of rice seedlings that are old enough for transplanting. It is necessary to check the growth of these rice seedlings while waiting for transplanting with a determination not to transplant rice seedlings that are too old to be transplanted.

The Ministry of Agriculture also urges localities to satisfactorily manage the amounts of allocated electricity in order to ensure the success of the winter-spring crop production.

**Nation Produces More Goods for Export**  
*BK0401165189 Hanoi VNA in English*  
1457 GMT 4 Jan 89

[Text] Hanoi VNA Jan 4—The pavilion devoted to external economic activities at the current fourth economic-technical exhibition fair in Hanoi is displaying many new products of 40 production units, localities and import-export establishments.

The export of raw materials has seen a substantial drop in percentage compared with processed farm, forest and maritime products. In 1988, the export of frozen shrimps increased by 238 percent, cashew seeds and its derivatives by 416 percent, coffee by 290 percent, tea by 138 percent and coconut oil by 187 percent, compared with 1985.

Such traditional export items as woollen carpets of Hanoi and Haiphong lacquer, earthen and chinaware of northern provinces have been much diversified in items as well as patterns wickerworks and artcrafts of Hanoi and the provinces of Ha Son Binh, Ha Bac and Ha Nam Ninh have been put into large-scale production while preserving their high artistic value and ingenuity. [sentence as received] Half of the 95 export articles turned out by Ha Bac Province are of new types. The export value of shoe-uppers, sneakers and clothing last year doubled the 1987 mark. The Vietnam-U.S.S.R. petroleum joint enterprise (Vietsovetpetro) increased its export from 230,000 tons of crude oil in 1987 to 700,000 tons in 1988 and is expected to export 1.5 million tons in 1989.

Another new feature of the external economic activities is the gradual but steady switch from pure commercial and goods exchange relations to specialized cooperation

and joint ventures. Vietnam has signed many bilateral or multi-lateral cooperation agreements with socialist countries. This kind of cooperation has found its expressions in the subcontracting of shoe-making by Haiphong port city for the Soviet Union, of sandal manufacture by the central coastal province of Phu Khanh for Czechoslovakia, and in the cooperation in textile, leather, clothing and other branches of the light industry service.

In the import structure, a growing proportion has been taken up by materials and equipment for production. Consumer goods accounted for 13.8 percent of import value in 1985, 12.8 percent in 1987 and 12.4 percent in 1988. Meanwhile the value of import of materials and equipment for food production increased by 31.4 percent in 1987 and by 44.5 percent in 1988 compared with 1985.

Many import-export corporations of the Soviet Union, the Federal Republic of Germany, India, Yugoslavia, and Sweden have signed contracts with Hanoi, Ho Chi Minh City, Lang Son and Phu Khanh Provinces for goods exchange and the production of export goods.

**Coal, Electricity Production in 1988 Exceed Plan**  
*BK1501053889 Hanoi Domestic Service in Vietnamese*  
1100 GMT 11 Jan 89

[Excerpt] The Ministry of Energy this morning held a conference to review its 1988 tasks. Comrade Tran Duc Luong, CPV Central Committee member and Council of Ministers vice chairman attended and addressed the conference.

In 1988, the Ministry of Energy exceeded state plan norms for the production of two key products, namely coal and electricity, thus effectively enhancing quality and satisfactorily serving the party's three major economic programs. The electric output reached 102 percent or 12 percent over 1987 while the production output of coal was more than 100 percent and of overburden, 103 percent.

The ministry has carefully used material and capital and has accelerated key projects of the state and party. The commission of generator groups Nos 1 and 2 of the Tri An Hydroelectric Power Plant and generator group No 1 of the Hoa Binh Hydroelectric Power Plant as well as the application of a uniform electric network have further improved the supply of electricity to meet the requirements of national economic development programs. The ministry has successfully carried out the program of establishing 35-kilovolt supply posts. 1988 saw a further improvement of the management mechanism at ministry agencies and at all other production establishments. [passage omitted]



### **New Contract System in Agriculture Achieves Success**

BK0401071589 Hanoi VNA in English  
1445 GMT 3 Jan 89

[Text] Hanoi VNA January 3—The present "package contract system," which suits farmers' interests much better than the old point system did, is bringing about good changes in the countryside.

Formerly, family economy was given very little attention because all the emphasis was on the collective, and cooperative members were paid in points which often were too little for what they had done.

The new system allows farmers a bigger share of the produce and greater autonomy in production, thus giving greater scope for the development of family economy. As leaseholds are not limited in time leaseholders do not have to worry about ownership and feel more induced to make investment in terms of labour, machinery and fertilizer. Ngo Van Kich at An Hoa village, Haiphong, who is working 4.7 hectares, has bought a 12 horsepower tractor, a husking machine, a power pump and many other farm machines which he also rents to other farmers. This year, he has already made a profit of more than two [metric] tons of rice and several tons of sugar cane, groundnuts and potatoes.

The development of the family sector, however, should not be detrimental to the collective sector but should be geared to regional and national plans. This government, for its part, should invest more in irrigation and should introduce new techniques to ensure a balanced agro-industrial economy in the countryside.

### **Farmers in Rural Districts Go To Open New Land in Provinces**

42090073b Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 11 Nov 88 p 1

[Article by N.D.: "Farmers in Rural Districts of Ho Chi Minh City Volunteer To Go To Look for and Open New Land in Provinces"]

[Text] Due to changes having to do with farmland, in the rural districts of Ho Chi Minh City, a number of farmers who do not own land have left the municipality on their own initiative, or with guidance from the locality, to look for new land beyond the boundaries of the municipality for productive purposes.

According to statistics gathered by the Municipal Farmers Association, in Binh Chanh District more than 90 families have registered their names for going to open new land in Binh Long (Song Be Province) and Moc Hoa (Long An Province). Forty-five of these families have sent some members of their families to Binh Long to accept their share of land (from the total of 350 hectares of land that Binh Long District has promised to distribute among Binh Chanh farmers). In Duyen Hai District,

a lot of land is available but because most of it is under the management of state farms, quite a few farmer households do not have any land to till. Thirty-five families among these households have left on their own initiative for Long An and Song Be Provinces to look for farmland. In the near future, more than 100 families will go to look for new land in the same localities.

The fact that farmers look for land to till on their own initiative is a good thing. However, in order to ensure stable living conditions for these people, localities should offer to contact the friendly localities to ask for land for them, provide them with material assistance, and keep the same household registration status and their families' properties in the place they have been residing. It is necessary to avoid such massive "mobilizing" measures that go against the people's conditions and aspirations as the stages of sending people to "new economic zones" in the past had proved.

### **Rice Harvest in Southern Provinces Exceeds 1987 Production**

BK0101154089 Hanoi VNA in English  
1454 GMT 1 Jan 89

[Text] Hanoi VNA 1 January—Up to 25 December, farmers in southern provinces had harvested 500,300 ha of winter rice, or one-third of the rice-growing area and 16.5 percent more than in the same period last year.

By now, southern farmers have also transplanted seedlings of spring rice on 550,700 ha, 15.2 percent more than the same period last year, of which 467,600 ha are in the Mekong River Delta.

## **SOCIAL**

### **Imbalances Between Population Growth, Grain Supply**

42090074 Hanoi PHU NU VIETNAM in Vietnamese  
12-18 Oct 88 p 7

[Text] Vietnam ranks 12th in population size but is one of 16 poorest countries in the world. Since the birth of Christ, our growth rate has increased 3-fold over the world's average. In the past 2 centuries, it has increased 6-fold over that of France and, in recent years, our population has exceeded that of many countries including France, Italy, Britain, and the Federal Republic of Germany. Since Directive No 29 on population work and family planning was issued by the Council of Ministers in 1981, our natural expansion rate has declined, but it is still too high—about 2.1 to 2.3 percent, translating into 1.3 million new births a year.

Very regrettably, population rise has not matched grain supply; worse still, the latter is even inversely proportional to the former. In 1940, per capita grain output averaged 285 kg, 43 years later (1983), it inched up to 290 kg—a gain of only 5 kg. During that period, per capita output of paddy alone had decreased by 34

percent. From 1976 to 1980, there was not enough grain to eat; production was up by only 1 million tons and, because of rapid demographic expansion, average per capita output slipped from 274 kg to 268 kg, forcing us to import more than 5 million tons of grain. To maintain existing standards of living, we must produce an additional 400,000 tons of grain a year to feed 1.3 million new babies. In fact, the entire nation turned out in 1983 only 124,000 tons over 1982; in 1984, 300,000 tons over 1983; and in 1985, 400,000 tons over 1984.

At the 2nd session of the Seventh National Assembly, a report by the Council of Ministers on socioeconomic development plans covering the 1986-90 5-year period and the year 1990 affirmed that "agricultural output value in 1986 was only equal to that in 1985," and that "in 1987, it was 2 percent below the 1986 level." In 3 years (1985, 1986, and 1987), grain output gravitated around 18 million tons annually although over 1 million new babies were born a year, causing per capita grain output to drop from 304 kg in 1985 to 280 kg in 1987.

Everyone clearly knows the following formula—to maintain stable standards of living, each 1 percent-increase in population must be matched by a 2 percent-increase in grain and 4 percent-increase in national income. As a matter of fact, between 1940 and 1980, our population had increased 2.7 times while grain output had increased only 2.55 times.

How will we live in the future? Happy or unhappy, with a full or half-empty stomach. These are alternatives to choose from.

Together, we should examine our future capabilities.

First of all, speaking of population expansion, although some provinces and cities, including Hanoi, Hai Hung, Thai Binh, Ha Bac, and Nghia Binh, have somewhat succeeded in lowering their birthrate, generally that reduction is still insignificant nationwide. In many places, birthrate has not declined, it has risen instead. On the average, a Vietnamese woman still has 4-5 children, even 6-7 children, mostly in rural areas. Our natural growth rate keeps hovering around 2.1-2.3 percent a year. According to the UN, from 1980 to the year 2000 that rate will remain at an annual 2.4 percent. From that premise, Vietnamese specialists estimate that our population will reach 66-69 million by 1990 and 87-93 million by the year 2000. Corresponding UN figures are 70 million and 88 million, respectively, with expected stabilization at 170 million. Better management, however, could bring down the estimated figure for the year 2000 to 75-79 million, including 45 million laborers, 65-70 percent of whom to be involved in agriculture. By that time, the agricultural front could face huge unemployment if manpower were not to be used rationally.

As for our land area, although it is rather large the agricultural portion is very limited—not to speak of imbalances in the distribution of residential land and

populations between various regions. Currently, 6.9 million hectares are under cultivation and an additional 3.6-6.4 million hectares can be exploited. However, only 500,000 hectares (215 percent) can accommodate wet rice. Thus, a maximum of only 10 million hectares can be put to agricultural use. This is not to mention that, out of 6.5 million hectares of agricultural land, about 20,000 are diverted each year to specialized uses. Per capita agricultural land of nations in the world is 0.39 hectare; in developing countries, it amounts to 0.32 hectare; in Poland, 9.94 hectares; and in Rumania, 1.13 hectares; in comparison, Vietnam with just 0.11 hectares ranks among the world's lowest. By the year 2000, if our population stands at 76-78 million as estimated, our agricultural land per capita will shrink from 1,286 square meters to 921 square meters.

To eat his fill, each person must be backed by 0.2 hectare with an average output of 5 tons per hectare a year; however, each Vietnamese is being served by only 0.1 hectare with an output of 2.8 tons per hectare a year. This figure alone is testimony to whether we have enough to eat, or not.

About opening virgin land and reclaiming fallow land, during two 5-year plans (1976-80 and 1981-85), we were able to transfer to New Economic Zones an average of 250,000 people a year, including 125,000 laborers. Although the reclaimed acreage was substantial, production results were very low. For instance, during the first 5 years (1976-80), we had moved 1.5 million persons, an average of 300,000 a year, 80 percent of whom engaged in agriculture produced 900,000 tons of grain (as converted to paddy equivalent), that is 600 kilograms per capita in 5 years, or 120 kilograms a year—an amount not enough to feed land reclaimers, much less to enable them to reimburse the state for its investments.

Resolutions were passed by the Sixth CPV Congress and the 2nd Session of the Eighth National Assembly setting goals and norms for the nation and urging it to achieve by 1990 23-24 million tons of grain, a natural population expansion rate of 1.7 percent, and a population of 66 million, translating into 330-340 kilograms of grain per capita. But will we be able to rise to the occasion?

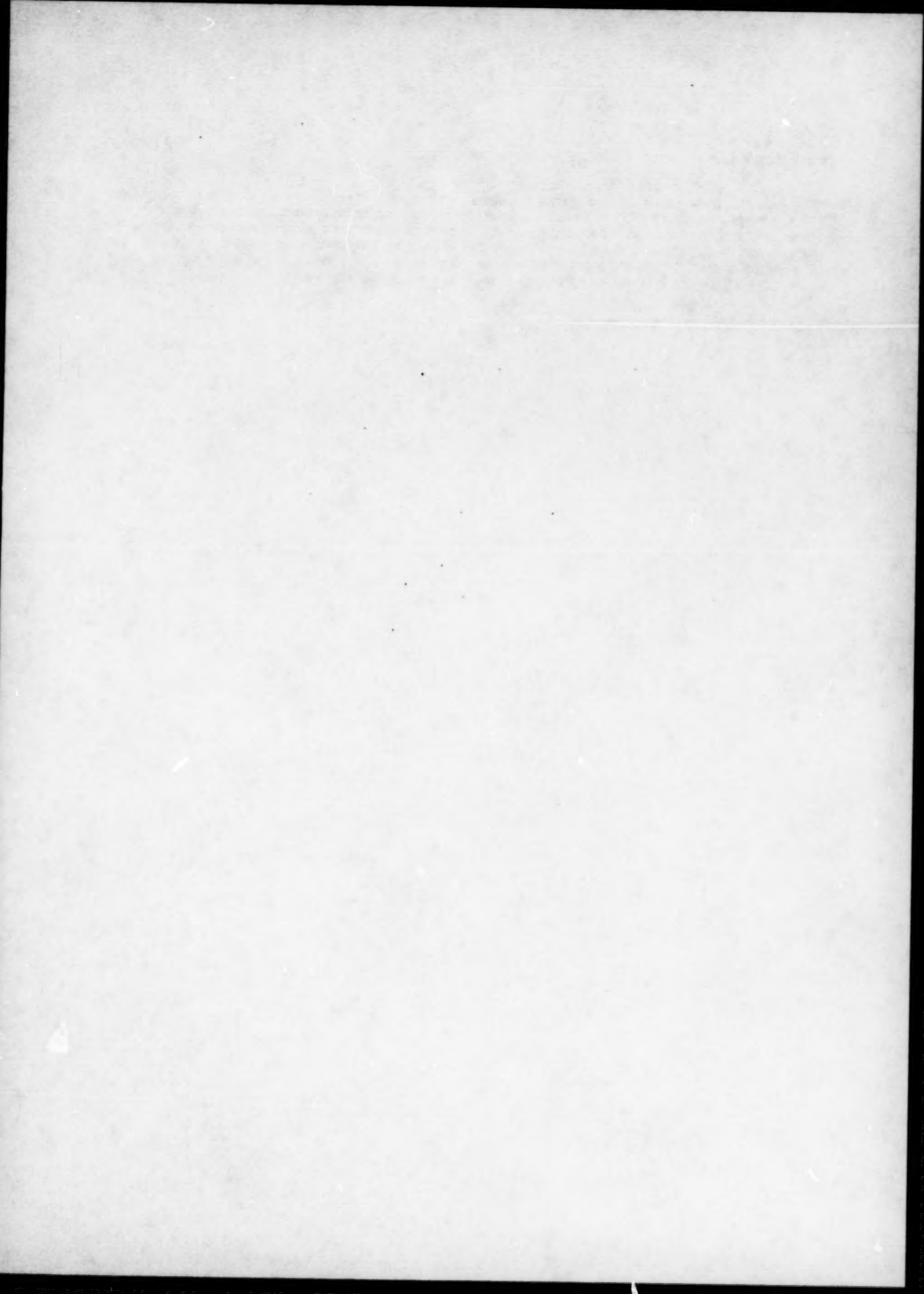
The situation is compounded further by difficulties in supplying electricity, water, fertilizer, and insecticide, in implementing price policies, in investing capital within the contract system, and in introducing scientific and technological progress into production, circulation, and distribution. This is not to mention limited production skills and experience of peasants and high losses and waste during the harvesting, storage, and transportation process (about 2.4-2.9 million tons)—enough to feed 10 million mouths a year.

In light of production realities in past years, tangible results of family planning, statistical data, and predictions for the immediate future as mentioned above, we

can conclude that these targets are hard to reach, ending up as mere wishful thinking if effective measures will not be taken to raise grain production and reduce population expansion rate. If this situation drags on, certainly we will not die of hunger but will go hungry until we die. Clearly, promptly solving the two above problems in an

inverse manner (increasing grain output while rapidly lowering population expansion rate) is an important and pressing task in the strategy of socioeconomic development of not only developing countries in the world but also of our own nation. This is also a way out and a prescription for survival.





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